

TOWN OF ROCKPORT  
ANNUAL TOWN MEETING  
SATURDAY, APRIL 3, 2015  
ROCKPORT HIGH SCHOOL

MODERATOR: The Chair will entertain a motion to omit the reading of the warrant. So moved.  
Seconded. All those in favor say aye, opposed say no. The motion carries to omit the reading of the warrant.

TOWN CLERK PATRICIA BROWN read the Officer's Return.

MODERATOR: The Board of Selectmen has – they are actually going to do this in a unique way they said they will buy a cup of coffee for anybody who knows the answer to this following trivia question, so we use Robert's Rules of Order and Robert was in the military, what was his rank? In fact Robert was a general and so the Board of Selectmen is going to buy me a cup of coffee but they said that they would buy all of you a cup of coffee also so we do have coffee in the cafeteria that they are paying for and at the appropriate time there will be all sorts of food and beverages there as well. No beer or wine yet (laughter).

We do not anticipate motions on the following articles: Article 3, G, I, J, and K. So if you're keeping score we'll fly right through those. But we will go through Articles 1 through 6 the ones that we are doing in order. The Chair will entertain a motion under Article 1.

ARTICLE 1: To choose an agent for the various trust funds of the Town and to choose all other necessary Town Officers in such a manner as the Town may direct; or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR SARAH WILKINSON, BOARD OF SELECTMEN CHAIRPERSON: I move that the town designate the Treasurer to be the agent for the various trust funds for the town.

Moved and seconded. Any discussion? You've heard the motion – all those in favor say aye, opposed say no.

The motion carries.

The Chair will entertain a motion under Article 2.

ARTICLE 2: To see if the Town will vote to rescind any one or more of the authorizations previously given to borrow funds for municipal purposes, excluding always, any and all authorizations that have been executed by a borrowing; or act on anything relative thereto. (*Town Treasurer*)

LINDA SANDERS FOR ERIN BATTISTELLI, BOARD OF SELECTMEN: I move that the Town vote that the authorization previously given to borrow funds in the amount of \$324,700 to pay costs of the Core Financial Management System, which amount was authorized to be borrowed by the Town under Article 6 of the Warrant at the April 3, 2010 Town Meeting, is hereby rescinded and of no further force or effect.

Moved and seconded. Any discussion? You've heard and see the motion. All those in favor say aye. Opposed say no.

The motion carries.

ARTICLE 3: To see if the Town will vote to raise and appropriate a sum of money to pay unpaid bills of previous years; or act on anything relative thereto. (*Town Accountant*) (*requires 4/5 vote*)

There is no motion under Article 3.

The Chair will entertain a motion under Article 4.

ARTICLE 4: To see if the Town will vote to amend or revise certain compensation schedules as set forth by the Rockport Personnel Board and on file in the Town Clerk's Office, which are incorporated herein by reference, namely: A.Compensation Schedules A, B, D and H for salaried employees; and B. Compensation Schedule C for elected officials; or act on anything relative thereto. (*Personnel Board*)

LINDA SANDERS FOR DAVID KEARNS, CHAIRMAN OF THE PERSONNEL BOARD: The first motion under Article 4: I move that the Town amend Compensation Schedules A, B, and D and the Compensation Schedule H for salaried employees, as set forth in the proposals recommended by the Rockport Personnel Board and on file in the Town Clerk's Office, which are incorporated herein by reference.

Moved and seconded.

Any discussion on that first motion under Article 4. Alright, you've heard the motion all of those in favor on the first motion say aye. Opposed say no.

That motion carries.

Now we go on to the second motion.

LINDA SANDERS FOR DAVID KEARNS: I move that the Town amend Compensation Schedule C for Elected Officials, as set forth in the proposals recommended by the Rockport Personnel Board and on file in the Town Clerk's Office, which are incorporated herein by reference.

Moved and seconded. Any discussion there? Alright – all those in favor say aye, opposed say no.

That motion carries.

We move on to, lo and behold, budgetary matters. Article 5

ARTICLE 5. To see if the Town will vote to raise and appropriate, or transfer from available funds, sums of money for any or all Town expenses and purposes, including, without limiting the foregoing, debt and interest, out-of-state travel, wages and salaries, operation of the Town's departments and offices, and provide for a reserve fund, all for the Fiscal Year beginning on July 1, 2015 through June 30, 2016, inclusive; or act on anything relative thereto. (*Finance Committee*)

LINDA SANDERS FOR WALLY HESS, CHAIRMAN OF THE FINANCE COMMITTEE: I move that the Town appropriate the sum of \$27,005,361 for all items under column 3 of the Table of Estimates under Article 5 in the Town Meeting Voters Booklet, General Fund, all for the Fiscal Year July 1, 2015 through June 30, 2016, inclusive, and, as funding therefor, raise \$25,504,936 and transfer the following sums from the designated accounts for the purposes specified, namely,

\$ 30,000 from Cemetery Sale of Lots to 402 DPW Cemetery  
\$143,400 from Ambulance Reserve to 231 Ambulance  
\$ 53,879 from Parking Meter Fund to 212 Traffic and Parking  
\$ 32,124 from Parking Meter Fund to 293 Parking Clerk  
\$171,268 from Waterways Improvement Fund to 295 Harbormasters  
\$ 515 from Waterways Improvement Fund to 297 Harbor Advisory Com.  
\$114,656 from CPA Fund to 700 Debt and Interest  
\$120,000 from Free Cash to 700 Debt and Interest  
\$ 50,000 from Free Cash to 124 Economic Development Expenses  
\$ 8,353 from Financial Mgmt System Capital Account to 135 Accounting  
\$396,075 from Water Enterprise Fund to Shared Costs  
\$380,155 from Sewer Enterprise Fund to Shared Costs

as well as revisions to the following budget accounts found on the noted pages in the Voters Town Meeting Booklet:

1. Page 43: Economic Development Committee Expenses from \$31,559 to \$56,559
2. Page 45: Police Officers, inc OT, Court and Shift Diff from \$818,022 to \$890,072  
Police Personnel Expenses – Uniforms, Training, Travel from \$35,255 to \$40,205
3. Page 47: DPW Public Property Wages from \$356,797 to \$349,522  
DPW Highway Wages from \$266,826 to \$297,906  
DPW Highway Overtime Wages from \$14,629 to \$4,886  
DPW Highway Expenses from \$247,523 to \$210,531
4. Page 50: Essex Regional Retirement from \$1,493,687 to \$1,501,171  
Group Health Insurance from \$3,952,721 to \$3,970,819  
FICA/Medicare from \$236,823 to \$237,113

TOWN MEETING VOTERS BOOKLET

ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	<b>GENERAL GOVERNMENT</b>			
114	MODERATOR			
	Stipend	125	128	128
	Operating Expense	-	114	114
		125	242	242
122	SELECTMEN			
	Five Selectmen Stipends	7,191	7,191	7,195
	Town Administrator	110,571	114,860	118,880
	Assistant Town Administrator	59,770	61,200	61,200
	Office Manager	42,467	43,504	43,504
	Meeting Support Clerk	4,544	6,018	6,018
	Operating Expense	52,189	35,054	35,054
	Audit Services	37,500	36,000	36,000
	Youth Center Operations	41,400	48,000	48,000
	<b>Total</b>	<b>355,632</b>	<b>351,827</b>	<b>355,851</b>
124	SELECTMEN COMMITTEES			
	Economic Development Committee Expenses	15,472	31,559	xxxxx 56,559
	Historical & Historic District Commission Expenses	-	500	500
	Town Art Committee	601	2,000	2,000
	Millbrook Meadow Committee	274	275	275
	Rights of Way Committee	3,304	3,304	3,304
	Beautification Committee	595	1,000	1,000
	<b>Total</b>	<b>20,246</b>	<b>38,638</b>	<b>38,638</b> 63,638
131	FINANCE COMMITTEE			
	Operating Expense	176	1,100	1,100
	Reserve Fund, less transfers granted	-	303,500	303,500
	<b>Total</b>	<b>176</b>	<b>304,600</b>	<b>304,600</b>
135	TOWN ACCOUNTANT			
	Town Accountant	77,162	70,000	75,000
	Town Accountant Staff	54,565	95,573	51,923
	Operating Expense	28,609	22,495	91,755
	<b>Total</b>	<b>160,336</b>	<b>188,068</b>	<b>218,678</b>
141	ASSESSORS			
	Assessors Stipends	3,231	3,300	3,300
	Assistant Assessor	54,154	55,450	55,450
	Assessor Clerk	34,433	33,960	35,918
	Operating Expense	5,091	4,910	4,910
	Outside services	58,834	4,060	4,060
	<b>Total</b>	<b>155,743</b>	<b>101,680</b>	<b>103,638</b>
147	TREASURER/COLLECTOR			
	Town Treasurer	70,778	72,471	72,471
	Assistant Treasurer/Collector	44,822	46,736	46,736

# TOWN MEETING VOTERS BOOKLET

## ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	Other Salaries/Wages	72,255	77,292	77,478
	Operating Expense	34,254	41,349	41,349
	Outside Services	22,443	29,598	29,598
	Tax Title Expenses	5,398	16,060	16,060
	<b>Total</b>	<b>249,950</b>	<b>283,506</b>	<b>283,692</b>
151	LEGAL - Fees & Expenses	<b>182,232</b>	<b>116,433</b>	<b>116,433</b>
152	PERSONNEL BOARD			
	Clerical, Part Time	645	1,224	1,224
	Merit Pay Pool	34,107	35,000	35,000
	Operating Expense	-	380	380
	<b>Total</b>	<b>34,752</b>	<b>36,604</b>	<b>36,604</b>
153	HUMAN RESOURCES			
	Manager Stipend			16,000
	HR Assistant			16,600
	Operating Expense			-
	<b>Total</b>			<b>32,600</b>
154	INFORMATION SYSTEMS & TECHNOLOGY			
	Director Salary	86,667	88,740	88,740
	IS&T Salaries & Wages	121,128	142,871	142,871
	Shared Administrative Support Wages	-	4,862	4,862
	Telephone	1,978	37,043	36,387
	Copiers & other hardware	10,086	40,068	40,068
	Classroom Hardware	56,409	56,661	56,661
	Networking Services	107,551	49,240	47,000
	Software Licenses & On-line services	114,872	125,823	131,498
	Other Operating Expense	18,294	50,350	45,173
	<b>Total</b>	<b>516,985</b>	<b>595,658</b>	<b>593,260</b>
158	TAX POSSESSED LAND	<b>9,226</b>	<b>8,959</b>	<b>8,959</b>
161	TOWN CLERK			
	Town Clerk	59,770	65,000	66,000
	Assistant Clerk	42,467	43,483	43,483
	Operating Expense	9,112	10,714	7,835
	<b>Total</b>	<b>111,349</b>	<b>119,197</b>	<b>117,318</b>
164	ELECTIONS			
	Stipends & Election Officer Wages	6,429	20,660	20,660
	Operating Expense	6,646	8,797	8,797
	<b>Total</b>	<b>13,075</b>	<b>29,457</b>	<b>29,457</b>
171	CONSERVATION COMMISSION			
	Conservation Agent	45,330	46,413	46,413
	Clerical, Part Time	3,478	7,711	7,711
	Operating Expense	1,655	2,103	2,103

TOWN MEETING VOTERS BOOKLET

ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	<b>Total</b>	<b>50,463</b>	<b>56,227</b>	<b>56,227</b>
175	PLANNING BOARD			
	Clerical, Part Time	17,382	18,920	18,920
	Planning Consultant	21,383	27,000	27,000
	Operating Expense	4,726	2,959	2,959
	<b>Total</b>	<b>43,491</b>	<b>48,879</b>	<b>48,879</b>
176	ZONING BOARD			
	Clerical, Part Time	12,979	13,085	13,085
	Operating Expense	-	705	705
	Legal Notices - Zoning	4,424	4,950	4,950
	<b>Total</b>	<b>17,403</b>	<b>18,740</b>	<b>18,740</b>
	<b>GENERAL GOVERNMENT SUMMARY</b>			
	<b>Salaries, Wages &amp; Stipends</b>	<b>1,066,450</b>	<b>1,175,652</b>	<b>1,176,766</b>
	<b>Operating Expense</b>	<b>854,734</b>	<b>1,123,063</b>	<b>1,187,046</b>
	<b>ATM Authorization</b>	<b>1,921,184</b>	<b>2,298,716</b>	<b>2,363,812</b>
	<b>Pensions &amp; Benefits (Incl in 900)</b>	<b>485,833</b>	<b>570,873</b>	<b>545,601</b>
	<b>TOTAL GENERAL GOVERNMENT</b>	<b>2,407,017</b>	<b>2,869,589</b>	<b>2,909,414</b>
	<b>PUBLIC SAFETY</b>			
210	POLICE DEPARTMENT			
	Police Chief	112,108	116,300	115,000
	Police Lieutenant Salary, incl shift diff	93,651	96,041	96,041
	Police Sergeants, incl Shift Diff	233,076	248,637	243,577
	Police Officers, incl OT, Court Time and Shift Diff	839,478	839,939	<del>818,002</del> 890,072
	Civilian Dispatchers	39,613	96,000	100,206
	Other Staff Salaries & Wages	84,768	87,732	90,876
	Personnel Expenses-Uniforms, Training, Travel	42,671	29,453	<del>83,333</del> 40,205
	Vehicle Expense-Fuel, Maintenance	29,566	41,477	32,780
	Facilities Expense	39,528	42,770	41,162
	Equipment Maintenance-Radio, Computer	39,655	38,234	42,301
	Telephone	12,710	9,417	10,000
	Other Operating Expense	9,534	10,100	9,714
	<b>Total</b>	<b>1,576,358</b>	<b>1,656,100</b>	<del>1,634,934</del> 1,711,934
212	TRAFFIC & PARKING			
	Sergeant Stipend	7,797	8,922	8,922
	Parking Meter Attendants	9,721	10,809	10,809
	Personnel Expenses per Contract-Transportation	542	575	575
	Operating Expense	31,067	33,287	33,287
	<b>Total</b>	<b>49,127</b>	<b>53,593</b>	<b>53,593</b>
215	LIFEGUARDS			

# TOWN MEETING VOTERS BOOKLET

## ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	Lifeguards (Seasonal)	36,216	46,414	36,414
	Operating Expense	7,902	7,918	7,918
	<b>Total</b>	<b>44,118</b>	<b>54,332</b>	<b>44,332</b>
220	FIRE DEPARTMENT			
	Fire Inspector/Chief	22,388	31,024	31,024
	Firefighter Stipends (AOC)	119,728	97,135	97,135
	PT, Seasonal & Special Labor	225	5,930	5,930
	Personnel Expense-Training	2,316	11,588	11,588
	Vehicle Expense-Fuel, Maintenance, Equipment	22,842	19,685	19,685
	Facilities Expense-Heating, Electrical	37,487	45,648	45,648
	Other Operating Expense	11,579	8,321	8,321
	<b>Total</b>	<b>216,565</b>	<b>219,331</b>	<b>219,331</b>
225	FOREST FIRE DEPARTMENT			
	Forest Fire Warden Stipend	3,154	3,217	3,217
	Deputy Stipends	4,350	4,437	4,437
	Firefighter Stipends	15,470	17,371	17,371
	Labor, Part Time	1,210	1,234	1,234
	Operating Expense	5,024	3,244	3,244
	<b>Total</b>	<b>29,208</b>	<b>29,503</b>	<b>29,503</b>
231	AMBULANCE			
	Department Head	4,113	8,387	8,387
	Direct Labor (Stipend)	30,449	75,570	57,386
	PT Labor & EMT per call Wages	23,098	28,585	28,585
	Personnel Expense-Training, Dues	3,380	9,181	9,181
	Vehicle Expense-Maintenance, Fuel	7,352	7,483	7,483
	Outside Services-Billing, Medical	4,246	7,651	7,651
	Other Operating Expense	21,985	24,547	24,727
	<b>Total</b>	<b>94,623</b>	<b>161,404</b>	<b>143,400</b>
241	INSPECTION SERVICES			
	Building Inspector Salary	67,620	69,238	69,238
	Part-time Labor	39,563	43,380	43,798
	Operating Expense	10,586	6,745	6,850
	<b>Total</b>	<b>117,769</b>	<b>119,363</b>	<b>119,886</b>
249	ANIMAL INSPECTOR			
	Animal Inspector Stipend (APT)	1,748	1,783	1,783
	Operating Expense	72	130	130
	<b>Total</b>	<b>1,820</b>	<b>1,913</b>	<b>1,913</b>
291	EMERGENCY MANAGEMENT			
	Director's / Deputy's Stipends	4,378	4,465	4,465
	Operating Expense	747	-	750
	<b>Total</b>	<b>5,125</b>	<b>4,465</b>	<b>5,215</b>
292	DOG CONTROL			

TOWN MEETING VOTERS BOOKLET

ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	Dog Officer Salary (APT)	7,091	9,000	9,000
	Assistant Animal Control Officer	2,918	3,840	3,840
	Operating Expense	3,132	4,441	3,980
	<b>Total</b>	<b>13,141</b>	<b>17,281</b>	<b>16,820</b>
293	PARKING CLERK			
	Hearing Officer Stipend	1,262	1,288	1,288
	Parking Clerk	16,593	17,424	17,424
	Operating Expense	10,263	13,144	13,144
	Admin&Collection Services	-	-	-
	<b>Total</b>	<b>28,118</b>	<b>31,856</b>	<b>31,856</b>
295	HARBORMASTERS/SHELLFISH			
	Harbormasters	42,590	44,095	44,095
	Assistant Harbormasters	3,775	3,907	3,907
	Asst Shellfish Officer & Warden	2,747	3,602	3,602
	Seasonal, Part-Time	262	12,211	12,211
	Equipment Maintenance-Radios	3,832	7,515	7,515
	Boat Maintenance	8,433	10,256	10,256
	Float, Ramp Repair/Replacement	8,424	8,640	9,640
	Office & Other Operating Expense	23,783	36,637	35,637
	<b>Total</b>	<b>93,846</b>	<b>126,863</b>	<b>126,863</b>
297	HARBOR ADVISORY COMMITTEE	135	515	515
	<b>PUBLIC SAFETY SUMMARY</b>			
	<b>Salaries, Wages &amp; Stipends</b>	<b>1,871,160</b>	<b>2,037,917</b>	<b>1,989,223</b>
	<b>Operating Expense</b>	<b>398,793</b>	<b>438,602</b>	<b>438,937</b>
	<b>ATM Authorization</b>	<b>2,269,953</b>	<b>2,476,519</b>	<b>2,428,160</b>
	<b>Pensions &amp; Benefits (Incl in 900)</b>	<b>531,220</b>	<b>558,683</b>	<b>638,610</b>
	<b>TOTAL PUBLIC SAFETY</b>	<b>2,801,173</b>	<b>3,035,202</b>	<b>3,066,771</b>
400	DEPARTMENT OF PUBLIC WORKS			
	ADMINISTRATION			
	Stipends, Salaries & Wages	193,145	244,692	234,650
	Office Expenses	44,246	31,373	48,055
	<b>Total</b>	<b>237,391</b>	<b>276,065</b>	<b>282,705</b>
	PUBLIC PROPERTY (incl parks & seasonal)			
	Wages, Regular & OT	311,380	336,713	<del>355,757</del> 349,522
	Operating Expense	202,967	195,067	208,824
	<b>Total</b>	<b>514,347</b>	<b>531,780</b>	<b>565,621</b> 558,346
	HIGHWAY, GENERAL			
	Wages, Regular	238,252	259,918	<del>266,886</del> 297,906
	Wages, OT	27,391	14,342	<del>11,619</del> 4,886
	Highway Expense	236,996	228,761	<del>247,823</del> 210,531

TOWN MEETING VOTERS BOOKLET

ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	Garage Expense	84,267	73,479	73,479
	<b>Total</b>	<b>586,906</b>	<b>576,500</b>	<del>602,457</del> 586,802
	HIGHWAY, SNOW & ICE			
	Wages, Regular	37,191	37,934	39,573
	Wages, OT	80,346	40,058	40,058
	Operating Expense	166,504	40,388	40,388
	<b>Total</b>	<b>284,041</b>	<b>118,380</b>	<b>120,019</b>
	TRANSFER STATION			
	Wages, Regular & OT	101,297	112,773	117,404
	Operating Expense, mostly haulage	257,009	286,664	327,133
	<b>Total</b>	<b>358,306</b>	<b>399,437</b>	<b>444,537</b>
	CEMETERY			
	Wages, Regular & OT	108,639	115,574	118,757
	Operating Expense	6,324	9,415	8,724
	<b>Total</b>	<b>114,963</b>	<b>124,989</b>	<b>127,481</b>
	DEPARTMENT OF PUBLIC WORKS SUMMARY			
	Salaries, Wages & Stipends	1,097,641	1,162,004	1,188,695
	Operating Expense	998,313	865,147	954,126
	ATM Authorization	2,095,954	2,027,151	2,142,821
	Pensions & Benefits (Incl in 900)	425,587	451,458	507,707
	<b>TOTAL DEPARTMENT OF PUBLIC WORKS</b>	<b>2,521,541</b>	<b>2,478,609</b>	<b>2,650,528</b>
500	HEALTH AND WELFARE			
510	BOARD OF HEALTH			
	Board Members Stipends	-	546	546
	Sanitary Inspector	33,728	34,535	34,535
	PT Admin Asst	7,704	15,836	15,836
	Seasonal Labor - Beach Testing	1,356	1,298	1,298
	PT Public Health Nurse	5,178	5,591	5,591
	Operating Expense	17,534	22,050	20,050
	<b>Total</b>	<b>65,500</b>	<b>79,856</b>	<b>77,856</b>
541	COUNCIL ON AGING			
	Director	41,635	41,998	42,631
	Clerical Part Time	2,398	2,448	2,448
	Operating Expense	14,026	13,878	13,907
	<b>Total</b>	<b>58,059</b>	<b>58,324</b>	<b>58,986</b>
543	VETERANS SERVICES			
	Veterans Agent Stipend	3,165	3,228	-
	Operating Expense	340	520	15,020
	Veterans Allowances	53,553	60,000	60,000
	<b>Total</b>	<b>57,058</b>	<b>63,748</b>	<b>75,020</b>



# TOWN MEETING VOTERS BOOKLET

## ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	<b>HEALTH AND WELFARE SUMMARY</b>			
	Salaries, Wages & Stipends	95,164	105,480	102,885
	Operating Expense	85,453	96,448	108,977
	ATM Authorization	180,617	201,928	211,862
	Pensions & Benefits (Incl in 900)	50,544	52,454	46,083
	<b>TOTAL HEALTH AND WELFARE</b>	<b>231,161</b>	<b>254,382</b>	<b>257,945</b>
<b>600</b>	<b>CULTURE AND RECREATION</b>			
610	LIBRARY			
	Department Head	65,296	53,987	67,000
	Other Direct Labor	258,831	265,343	265,343
	Operating Expense	4,014	32,304	32,765
	Library Materials (19%)	96,764	98,055	98,055
	Contractual	44,806	46,096	46,096
	<b>Total</b>	<b>469,711</b>	<b>495,785</b>	<b>509,259</b>
630	RECREATIONAL COMMITTEE			
	Recreation Director (incl seasonal labor)	27,170	27,540	27,540
	Clerical Part-time	10,569	13,219	13,219
	Operating Expense	4,347	11,535	10,060
	<b>Total</b>	<b>42,086</b>	<b>52,294</b>	<b>50,819</b>
635	GRANITE PIER			
	Seasonal Labor	10,586	12,755	12,755
	Operating Expense	6,233	8,989	8,989
	<b>Total</b>	<b>16,819</b>	<b>21,744</b>	<b>21,744</b>
638	THACHER & STRAIGHTSMOUTH ISLAND			
	Direct Labor	5,808	9,200	9,200
	Other Operating Expense	8,891	10,550	10,134
	<b>Total</b>	<b>14,699</b>	<b>19,750</b>	<b>19,334</b>
692	MEMORIAL DAY COMMITTEE	2,956	2,608	2,608
	<b>CULTURE and RECREATION SUMMARY</b>			
	Labor	378,260	382,044	395,057
	Operating Expense	168,011	210,137	208,707
	ATM Authorization	546,271	592,181	603,764
	Pensions & Benefits (Incl in 900)	142,770	148,743	130,469
	<b>TOTAL CULTURE &amp; RECREATIONAL</b>	<b>689,041</b>	<b>740,924</b>	<b>734,233</b>
<b>700</b>	<b>DEBT AND INTEREST</b>			
	Maturing Debt Principal	894,000	955,388	1,176,160
	Maturing Debt Interest	263,043	274,523	263,174

TOWN MEETING VOTERS BOOKLET

ARTICLE 5: TABLE OF ESTIMATES

Dept #	Department/Description	FY14 Actuals	FY15 FTM	FY16 Budget
	Temporary Debt Principal	-	126,924	120,000
	Temporary Debt Interest	24,067	4,749	16,615
	TOTAL DEBT AND INTEREST	1,181,110	1,361,584	1,575,949
900	OTHER			
911	ESSEX REGIONAL RETIREMENT SYSTEM	1,198,469	1,376,414	<del>1,499,687</del> 1,501,171
913	UNEMPLOYMENT INSURANCE	51,376	50,500	53,161
914	GROUP INSURANCE			
	Health	3,590,826	3,812,910	<del>3,982,721</del> 3,970,819
	Life	10,402	12,803	12,900
		3,601,228	3,825,713	<del>4,085,621</del> 3,983,719
916	FICA/MEDICARE	193,301	196,179	<del>236,823</del> 237,113
917	SICK LEAVE / BUY-BACK	58,266	67,474	70,000
940	INSURANCE EXPENSE	391,289	457,810	474,850
	TOTAL OTHER	5,493,929	5,974,091	<del>6,294,143</del> 6,320,014
	ARTICLE 5 TOWN DEPARTMENT SUMMARY			
	Salaries, Wages & Stipends	4,508,675	4,863,098	4,852,627
	Pension & Benefits (Incl in 900)	2,445,123	2,734,558	2,860,771
	Operating Expenses	2,896,593	3,191,208	3,372,643
	Debt Service (Incl in 700)	1,007,911	1,177,636	1,347,916
	TOTAL ARTICLE 5 BEFORE SCHOOLS	10,858,301	11,966,500	12,433,957
	PUBLIC EDUCATION - TOWN CONTRIBUTION			
300	Base Funding from Town - ATM APPROPRIATION	10,485,038	10,727,560	10,964,411
	Pensions & Benefits (Incl in 900)	2,657,517	2,781,722	2,958,522
	Debt Service (Incl in 700)	173,199	183,948	228,032
305	Essex Tech. High School-ATM APPROPRIATION	173,678	374,512	315,497
	TOTAL PUBLIC EDUCATION	13,489,432	14,067,742	14,466,462
	GRAND TOTAL ARTICLE 5	24,347,734	26,034,242	<del>26,900,419</del> 27,005,361

MODERATOR: Moved and seconded. In a moment we are going to hear from Wally Hess the Chairman of the Finance Committee and Linda has already alluded to this but take a look at pages 43 and beyond of your voter’s booklet and please note that the Finance Committee and the Board of Selectmen and others have been working very hard and they’ve been revising budgetary figures even after we’ve had to publish these and create the slides and that’s why there are some minor changes. Mr. Hess will go over those when he talks in a minute and so those will be made clear to you but that is just the nature of the beast but in a few minutes as you go through the tables I’ll read through these numbers and you will get a chance to “hold” various sections and what we’ll do is the sections that we don’t hold we’ll vote on and then we’ll go through them and talk about each of the sections that are held and we’ll talk about those as well. For

example, section 114 Moderator, you know I got a raise, I used to have this gavel and now I have this gavel (laughter) and we'll have a chance to talk about those expenses and why the \$3.00 raise and we'll go on and we'll talk about other things. So now let's hear from Wally Hess.

WALLY HESS: Good morning. Before we go through the detail of the budget numbers, I would like to give you a quick overview of how difficult this budget has been for the Finance Committee. Because of the snow storms we received the budget request a week late, and then had additional snow delays after that. To make matters worse, the requests for spending were high enough so that we needed to cut those requests by more than \$350,000, and that was not fun. None of the school or Town departments received what they wanted. We had 18 public meetings since the beginning of January to sort this out, many lasted three hours or more. Why was this year so difficult? Let's do a little review here: First, our ability to increase RE taxes is constrained by Proposition 2 ½, as everybody knows. This means that without an override, these can normally increase no more than about \$675,000 per year. Non-real estate tax revenue increases about \$200,000 a year, making a total of \$875,000 available for all increases. Remember that \$875,000 number. Against this, the major categories of expenses are: employee and retiree health and retirement benefits which increased nearly \$350,000. Without some restructuring, this will continue to increase at least as rapidly in the future. Debt service to fund previously approved capital projects will increase \$215,000 in fiscal year '16. That's not speculation, that debt has already been issued and the semi-annual payments have been scheduled. Despite these approved projects, our infrastructure continues to erode somewhat. Remember infrastructure items include roads, seawalls, town and school buildings and underground plumbing. We didn't address those to any significant extent in this year's budget. We increased our direct appropriation to the school department by \$240,000.

You can see that these three items have taken up most of our increased revenue if you're been keeping score: \$350,000; \$215,000; and \$240,000. We couldn't afford anything else, employee raises, increased operating costs, new initiatives, anything else. So in addition to the \$300,000 of expense cuts or \$350,000 of expense cuts that we had to make this spring, this winter – mostly during the snow – we decided to assume that we would raise real estate taxes closer to the limit and recommend a small increase in the meals tax in order to bridge the gap. It's very hard to hold the two ends of this thing together. The new meals tax will allow us to raise real estate taxes slightly less than the maximum allowed. You can see this whole thing has been a difficult balancing act. We had to deal with all the departments who were funded less than they needed and we had to try to deal with all kinds of different types of revenues to make all this balance. By the way, we took a quick look at what fiscal year '17 is going to look like it's going to be much tighter than fiscal '16 just keep that in the back of your mind. As I said, we had to do a lot of scrambling for time. We had to get the budget to the printer in order to have it available for today's meeting. Subsequent to delivering it, we made three changes to our recommendation. These are issues that just came up within the last week. We increased the amount to be appropriated to the Economic Development Committee from \$25,000 to \$50,000.

We worked with the DPW so they could hire an additional highway employee. The DPW was able to reduce other expense through-out their department so that that employee did not increase the budget since we had no space for that, no dollar space. The day before yesterday the police union settled their contract with the Town. Since the old contract expired on June 30, 2013, there are two components to this settlement. There will be a retroactive increase since June 30, 2013, and there will be a new higher level of expense in the FY16 budget. The budget numbers that we were working with until yesterday, had assumed that it would cost about \$50,000 for the retroactive portion and it turned out to be \$73,000. We had assumed that an additional \$50,000 for the new higher level of annual expense and it turned out to be \$77,000 higher.

Now, you'll notice that there are a lot of changes in the numbers in the booklet and Linda read most of those and all those changes will be projected up on the screen today. However there are a lot of changes but they all relate to those three items. Additional amount to the Economic Development Committee, switching things around in the DPW so that they had room to hire a new highway employee which they desperately need, by the way and to deal with the changes in the police union settlement. So you'll see dozens of changes but they all boil down to those three topics. One other thing we had to deal with was the extraordinary expense for snow and ice removal this year. I think you're all familiar with that. Against our budget of \$120,000, for snow and ice removal we spent \$470,000. A \$350,000 increase, that's a lot more but we had so there wasn't any choice. These expenses were in FY2015, so they're not in the fiscal '16 budget that we're going to discuss in a moment and this morning, a few minutes ago, the Special Town Meeting we voted to transfer, in that list of transfers you saw up on the screen a total of \$255,000 from unused accounts and we still are \$95,000 short. We expect between now and the end of June that we'll find that \$95,000 but we haven't found it yet.

One other last minute change was that this morning we voted to recommend special town meeting to transfer money to repair, from the air conditioning account at town hall to repair the bathrooms in the library. Those bathrooms have been out of service for nearly a year. It was very important that we did that and we thank everybody for voting for that transfer. Okay, enough of my

complaining.

Hopefully most of you have had an opportunity to read through the Report of the Finance Committee beginning on Page 11 in your booklet today. This report has also been available this past week in town hall, and in the library and on the town web site. This report gives you more information on much of what I just said and we think it helps put today's decisions in context. I'll just finish by mentioning sort of the aggregates we're going to be voting on this morning. The total proposed spending for operations, Article 5 is about \$27 million, we're going to be looking at all the components of that in a few minutes, then in addition to that we have total spending for the Water and Sewer Enterprise Funds which is \$3.6 million this is not funded by taxes but is funded by your by water/sewer bills, and then we have total capital items which is Article 6 are \$1.1 million we're going to be voting on those also. It's now time to go through the detail of the budget numbers. Remember all the changes from the booklets result from those three changes I mentioned earlier – the additional amount to the Economic Development Committee, DPW changes to allow them to hire the highway person and the new police contract.

MODERATOR: Okay, the Table of Estimates, I'm going to read through the numbers on the left from page 43 to 50. If you want to hold those to talk about those later and not just to bellyache but to come up with a specific dollar amount, justifiable dollar amount of change we will do that. Starting with..Moderator – The Town Moderator read through Article 5 – the items held.

Now, we are going to have a motion on the items that were not held.

WALLY HESS, FINANCE COMMITTEE: The Finance Committee recommends that we approve all those motions that were not held. Moved & seconded.

MODERATOR: Okay, does everybody understand so now we're going to move on the ones that we didn't hold and then we'll talk about the ones that we're holding.

All those in favor of making the appropriations on all the articles that were not held, please say aye, opposed say no. That motion carries.

Now, let's go back and talk about all the things that were held. So, back to page 43 and the first one on my list was 124 Selectmen committees.

TOBY ARSENIAN: Toby Arsenian, 95 Granite Street – I'm not clear, Linda Sanders said \$56,559 and then Wally Hess said \$50,000 for the Economic Development Committee which is it?

WALLY HESS: The \$50,000 I was referring to is the amount additional; they had a base funding of \$6,559 or so. The total of my number should have been \$56,559.

TOBY ARSENIAN: I moved that we subtract the sum of \$50,000 from the appropriation for the Economic Development Committee expenses and adjust the total accordingly. (seconded) Thank you. In just a moment or two Lana Razdan will explain to you at some length all of the marvelous, not to say miraculous things, the Economic Development Committee believes it would do with the \$56,559. In plain truth the purpose of this money is to lure more tourists to Rockport. It's done for the benefit of the shopkeepers and the inn holders. It's a subsidy for private enterprise. For years we have been told that tourism supports the town. It's an accepted truth only it turns out it's not true. Tourism does not support the town. Five or six years ago the Economic Development Committee did an extensive study on how residents make a living. It turns out that eight percent of the town's residents make a living out of tourism – eight percent – a small minority. This is a subsidy for private enterprise. If you believe in subsidies for private enterprise we could pay for secretarial help for the town's doctors, lawyers, insurance agents, we could pay for insurance for the town's carpenters, plumbers, landscapers, you rightly recognize those suggestions as absurd. Paying for the advertising budget of the local tourist industry is in no way different. It is a bad habit we have fallen into, it is a bad habit we can no longer afford. I would like to invite Lana Razdan to explain to us how the money was spent last year, it's a large sum of money and I think we deserve an accounting.

LANA RAZDAN: Well a couple of things I'd like to just address that Toby said. First of all, I'll try to not blather too long because he gives me the hook if I do. So I'm going to try to keep it short and sweet. If you refer to pages 70 and 71 of the Town Report it tells you what we were doing last year. I think I'd like to draw you back to one thing Wally Hess said that is a reason why as head of this committee I've been so passionate in working with the Finance Committee and the Board of Selectmen to try and raise understanding of why this is an important issue for the town. Are you going to see immediate returns, no this is a long term project. I say this every year when I stand up here. Are you going to see revenue streams, no it's not that kind of a program. Is it placing advertising, no it's not placing advertising, is it supporting just the tourist related businesses in town, no that's not our intention and if you look carefully at pages 70 and 71 you'll see that. One thing that Wally said that is really critical here and it was a reason why the Finance Committee approached the Economic Development Committee several years ago to try and grapple with this issue is it's come to my attention and I was just a senior in high school out of town

at the time but in 1974 there was a report done by MIT at the request of a committee in town and what it showed us was some very dangerous trends and warned us if we didn't take care of those trends the chickens were going to come home to roost. Well guess what – they're here. It told us we were dangerously reliant on real estate taxes proposition 2 ½ has hamstrung us even more. We are 93% dependent on real estate taxes. What the Economic Development Committee is about, is yes, supporting our visitor industry because it is one of the key ways that people find out about Rockport but what is the ultimate aim? The ultimate aim is to attract younger families who will support our schools, do business in our town and buy homes here and become a real strong part of the community, to think about Rockport as a place to live. The other thing is to try and get some small business activity here. It's very stagnant. I'm not talking about visitor industry. I'm talking about small information based businesses, creative economy businesses, things that would fit in with the fabric of Rockport that would not overtax the infrastructure that we already have. What have we been doing this year, Toby? Well we just conducted an Ed-Sat survey which is an accepted tool by many cities and towns in the commonwealth to get a snap shot of where you are in this point in time economically. The two things that came out of that report were things that we can do easily right now they were the top two priorities. Anybody who hears about Rockport and believe me, change is going to come no matter what you do and if you don't like the change you're seeing it's time to take a grip of it and do something about it. One of the most important things you need to do, but it's one that people don't understand it's not placing advertising for particular businesses, it's giving people an overall perception of what you have in your city and town. Are we a place that's open for small businesses? Are we a place that's welcoming to young families? Those are the kinds of messages that we're trying to pump out. It's not like the olden days when I was in communications and I was working instead of doing town business it was very easy because you had very few media outlets - it has exploded.

This is not a job for volunteers. If you want to speak to people where they are, if you want to speak to those small business people, if you want to speak to the young families you need to go where they are whether it's social media or a million different places online. That's a job for professionals. I will be upfront as I always am with everybody it is where the bulk of our money is spent because it is not something that volunteers can do. We are not credible because we come out of nowhere. A good communications firm builds relationships and speaks to these outlets over a period of time and they place media for us, it's not placing in advertising it's actually getting free advertising or free promotion or free perception messages about your town. For the monies we've spent we've got \$365,000 worth of equivalent coverage. That's an astounding return for that sum of money. We've reached about 190 million people and what we want to do is use that communications platform we've built to now start speaking to the businesses, anybody who might want to do a small business or anybody who might want to bring their family here. The other piece of this that came out in our survey – we're all about getting information so we're not going to waste town money on just doing crazy stuff. We've turned money back in the past which may not be evident, quite a large sum the first year and we did not pursue adding \$25,000 to our budget which we could have done at town meeting in the fall last year because we were able to do our work with the monies we were given. This is the year we need to move. We have our information from our Ed-Sat survey we've done an extensive survey with the help of Rob Liebow and Connect-Ed to try and canvas young families to see what brought them to Rockport and what makes them stay here. What were the price points? What were the moving factors for them? We've also tried to support our cultural district app that was something we did the year before. So we're moving ahead on all these things. I lobbied very hard for this, I'll be honest with you. I know there are many worthy concerns in town. This is a very tough one to defend because I suggest you think of a city or town like Chelsea, you've got a city which is trending downhill really fast although things look good here they're trending downhill economically. You can't sustain that model. This is not something that changes in a year or two years, it's a 5, 10, 15, 20 year project. I may not even be here to see the results. (Moderator breaks in with time) Yes, I know. Anyway I appreciate your support with a consistent budget and support for this year so we can move ahead on the strong platform of information and communication we've built and it's for the whole town not just for a certain interest group. Thank you. (applause)

MODERATOR: Next year we'll have music like at the Academy Awards. Anybody else?

JUNE MICHAELS: The Finance Committee has debated this with both the Board of Selectmen, who support the \$50,000 and with the Economic Development Committee. We had numerous meetings with them. The Finance Committee originally supported the \$50,000 increase the year that we increased the room taxes. We wanted to see what the Economic Committee could do with the additional money if we gave it to them. Now as Wally has explained to you our budget is extremely tight and we felt that we could no longer support in the operating budget a guaranteed income of \$50,000 a year to use to promote and advertise the town but after much debate the Finance Committee supported giving the \$50,000 to the operating budget for next year out of free cash. Now if you've come to a lot of town meetings you know that free cash is a variable and we like to use it only for one-time expenses not to support the operating budget. We're giving them \$50,000 in free cash for next year, not just for an advertising program but to develop a plan and we expect that over the next nine months the Economic Development Committee will come up with a plan for how to go forward and by December 31<sup>st</sup> we will be discussing what is going to be done in subsequent years not just to advertise the town but to change the demographics and the economic condition of the town. That's why the Finance Committee supported this figure for this year. Next year at town meeting we have no idea what the figure will be but we expect we will have as a separate article whether we have a plan and project to move forward with so I personally am tired of debating this on the same grounds over and over again and I urge you to support this figure and next year we can have a really good debate about what the town's going to do to move forward. Thank you.

MODERATOR: As opposed to our mediocre debate this year (laughter). The person in the back I'll hear

from in just a moment but there is a term of art used *free cash* which I always thought was an oxymoron but if you take a look at the terms section at the beginning of your booklet you will see that there is in fact a very technical definition of free cash as well as some of the other financial terms that are bandied about. So in the back.

CATHLEEN CAHILL: Good morning, I own Katie's Gift Shop in downtown Rockport. I've been here for thirty-five years. I've seen huge changes in my customer base, in my traffic base, Toby's contention that eight percent of the town is tourism technically that may be true but I also hire plumbers, I hire electricians, I hire other people to do work around my business so my little tourism business does support other businesses in town so it's not, it's not a very black and white thing. There are other ancillary things that go along with it. I have seen a lot of changes in the thirty-five years I've been here and the quality of downtown, the traffic in downtown I gotta tell you about ten years ago I had four employees the last few years I've had three 'cause I've had to take on more myself and do, it's just, it's just different, it's different. This year I'm having two employees I couldn't count how many kids I have put through college through this town, through my business and putting them to work. I'm cutting back I'm going to have two employees this year and I'm just going to make due. Something needs to change, hopefully. Thank you. I support this by the way in case that wasn't clear.

JOHN-DAVID HERLIHY: 20 Smith Road – just as a longtime resident of Rockport and no tie to the Economic Development Committee nor to the tourist business in town I went to the recent Ed-Sat review and was actually surprised that there was absolutely no discussion during that about the tourist business in town and showed that the Economic Development Committee's real focus is on bringing a well-rounded, as this lady over here spoke to, new businesses to town to support a better well-rounded tax base and therefore I'm going to support this motion, support the Economic Development Committee by voting against the motion and I hope everybody else will and then another point is while some of the money might help promote Rockport as a town and increase the image people have of our town that might have a positive effect on the tourist business but it's also going to bring some part-time residents to town which is going to help with our real estate tax base which is still one of our main tax bases so while it could be just eight percent of our revenue I would expect a positive image of our town is going to increase our total revenue by bringing more people that are going to spend money in our town even on a part-time basis. So that's all I have to say. Thank you.

CAMERON SMITH: 10 Rowe Point – I must admit to being a bit confused. The project that Lana describes is a very aggressive one it's a structural change in the population of our town. I am feverishly impressed with the audacity of this and hope that it would be possible to do within our financial constraints however she also said that this effort can't be thought of as one year, two year, or five years I think she went as far as twenty years and hearing the Finance Committee's discussion of how this is going to be financed this year through free cash and then next year all bet's being off it sounds to me like we're looking at an inconsistency that we're staring at a multi-multi year project and the Finance Committee has really identified no source of cash for such a large project so I'm not saying that I'm against the project. In fact on the contrary I think it's very audible but I think that we need to get maybe a comment from the Finance Committee about how we would continue over the next X years to support a project of this scope. Is that possible within the expected financial constraints that they so probably correctly are warning us about? Thank you.

BRUCE COATES: 15 Ocean Avenue – Just to address what I've heard as far as increasing property taxes potentially in the future or revenue stream to support this I just want to remind everyone that we have an 11.7 percent rooms tax that comes to the town, two percent of which we voted above the state level so that we could support, at least I voted for it, so it would support reinvesting and just this type of thing so right now the revenue that comes to the town from the rooms tax alone more than supports this revenue stream going on into the future. (applause)

SANDY JACQUES: 93 Granite Street – Former chairman of the Finance Committee – this is a very difficult topic it's not just Rockport's problem. It's a Massachusetts problem. It's a United States problem. The ability to influence an outcome of this magnitude is extremely difficult. If it is highly desired it should be done by professionals. Volunteers have brought us this far and it's great; their salaries are zero. The costs are negligible when paid to others but that might be the long term solution for this, very committed operating costs that's funded every year but in order to make that decision I think we have to understand a couple of things far better than the information that has come to us number one is the trickle-down effect you know as an economist that's a well-established principle you can do input – output models of all this to see what it is now and how you might influence that down the road so people would understand better what it means to have an economic development plan that it's not just businesses, it's not just professionals that are doctors and accountants and plumbers, it's a community and I think somehow we need to hear in some form better results of the monies that we spent over the.. I don't know I think it goes back ten years at one time it was high then it went down to being low now it's being proposed to go high again. It very well may be a wonderful investment and it may produce the results but we the citizens, the voters, the people who run the town from this side of the dais I don't believe have adequate information to do that if by the end of the year in December that kind of information could be "quote" guaranteed by the committee then I think what we would be facing is a decision of putting this money out every single year in our budget just like if we were a corporation we would spend money to promote our business, the business of the town and you have to face up to the fact that if you want to do that if you want to effect the change that you're trying to affect you have to make that commitment. Now we can't make it this year we may not be able to make it next year but intellectually we really need to make that commitment. Thank you.

MODERATOR: The bylaws, of course provide that we give preference to people who haven't spoken before on a matter so I'm looking for people who have not spoken we're going to hear just a few more people and then we'll vote this. We have a lot of budgetary items.

STEVE LINDO: 3 Gap Head Road – The thing that strikes me is we're spending a huge amount of time on a \$50,000 expense. The structural problems the town faces are very well explained by Wally. There's a lot of other expenses that we just sort of sail through like the retiree pension and the retiree medical and those things grow and they are sort of uncontrollable but they're not entirely things that we can't affect and it just, my only comment is that it seems incongruous to be hamstringing ourselves for tying us up that a year from now we are going to be up or down on doing anything to change the demographics or reach out in ways that are original and different and recognize everything in changing, if we're going to do that just think we ought to be looking hard at some of the other expenses today and every other time get no attention at all because they're sort of perceived to be beyond your control in fact pension and retiree medical are expenses that communities across the country have, you know, been taken down by and have had to struggle with and come to grips with that's probably a state level thing but I think it's something we should give attention to. Thank you.

MODERATOR: A couple more people and then we're going to vote.

SARAH WILKINSON: For the Board of Selectmen – I will just say that when a few months ago when the selectmen first submitted our budget to the Finance Committee the full \$56,000 was included in our operating budget and then as you heard earlier from Wally cuts had to be made and this was just one of them. But our intention was for this to be part of the operating budget and for it to continue to be every year. I think to be honest we've all kind of gone back and forth and debated and I think we're lucky that this year we can fund it out of free cash and next year we'll be sitting here in the same seats doing the same thing but our hope is that next year and following years it can go back into the operating budget. It's just this year we have to take it from where we can get it. But the selectmen fully support the Economic Development Committee and giving them the tools they need to continue this really important work.

MODERATOR: Okay one more person who hasn't spoken before.

LUCINDA SEIGEL: 2 Story Street – I'm a new resident. I fully support the idea of using marketing funds to bolster the town's perception and the economic health. My issue is a little bit related to this gentlemen's – Sandy's comment before in that it would be a much easier discussion if the results were measurable somehow. That if we spend \$50,000 this year that we know next year that generated a stream that we're anticipating will be \$10,000 a year for this platform another \$30,000 here another \$50,000 there in some ways and I can't believe, that you know, across the country that we're looking at no way to define what's happening as a result of actions and then be able to somehow measure those actions 'cause that's an easier conversation then.

MODERATOR: Thank you – you've heard the motion – the motion is to reduce the Economic Development Committee expenses from \$56,559 reduce them by \$50,000 to \$6,559. Does everybody understand the motion? Okay – all those in favor please raise your placard. Okay, thank you. All those opposed the same sign.

That motion fails.

We move on to number 131 Finance Committee.

TOBY ARSENIAN: I move a vote of thanks for the Finance Committee, the Capital Improvement Planning Committee, the Town Administrator and the Board of Selectmen for all of their long, hard work in preparing the budget. (applause)

MODERATOR: All those in favor of that motion please clap your hands. (applause) Thank you. Anything else on 131?

TOWN CLERK PAT BROWN: I'm holding the Finance Committee reserve fund in an effort to take money from that fund and apply it to elections so when elections come up my intent is to take funds from the reserve fund from the Finance Committee to fund tabulators for elections.

MODERATOR: Why don't we jump ahead to elections?

PAT BROWN: I move to amend line item 164 Elections by adding \$21,000 to operating expense for the purchase of tabulators as a one-time non-recurring expense and fund this from line item 131 Finance Committee Reserve Fund.

Moved and seconded.

The Town of Rockport presently has the unfortunate distinction of being the largest community in Massachusetts that still counts paper ballots manually. (applause & laughter) For years the town has been one of the last communities to call in to the Associated Press. The Gloucester Daily Times has virtually given up on us because even holding the presses they receive the results too late to make the paper.

The old boxes that Rockport uses are constantly jamming, parts are beginning to fall off and need repair. Voting boxes are no longer made so I have been going to towns that have purchased new tabulators and scrounging their old boxes in the hopes that they work better than the ones that we presently have. Needless to say some of them work and some of them don't so at the polls we are faced with having to make repairs. If you are one of the voters that have been held up at the polls because of a faulty ballot box, please accept my apology.

For the next election, the local election on May 5, 2015, you will all have an opportunity to see how tabulators work. For that matter if you are interested there is a tabulator here today out in the lobby for you to take a look at. LHS and Associates, Inc. has offered the town, the use of three AccuVote tabulators and training to poll workers at no charge as a demonstration. These tabulators will take the place of the old boxes. Voters will be provided a paper ballot, they mark the ballot and then instead of the box that you used to put it in you will feed the ballot into a tabulator. At the close of polls, with the press of a button the tabulator does its work and tallies all the votes and you have results in minutes.

The Presidential Election is scheduled for November 8, 2016. This is a very difficult election to count, because of high turnout. Rockport votes! I am proud to say that as Town Clerk that Rockport's turnout for the 2012 Presidential Election was a little over 82% (applause). In 2008 Rockport's turnout for the Presidential Election was over 84%. I will not forget the last Presidential election because it was one of the first I ran as a newly elected Town Clerk, 4,773 votes were cast. It is determined that it takes a pair of experienced poll workers about three hours to count 150 state ballots. That being said if only one pair were counting with no hold ups and no mistakes it would take that pair 96 hours to complete counting votes. We usually have five pairs at each precinct and there are three precincts so with a normal crew it takes a little over six hours to count state ballots. We close the polls at 8PM to start counting that means counting will be completed at 2AM. That's with no mistakes and people often have to re-count ballots. The wardens in the three precincts and I have asked everyone who has ever counted ballots and all of their friends to come in and help. We pay counters \$9.00 an hour, elections are usually on a Tuesday night and you can expect to be there starting at 8PM until well after midnight as a counter. If you worked the polls that day you have already been working eight hours and that's before you start counting ballots.

As of March 31, 2015, the Finance Committee had \$205,365.00 in its Reserve Fund. I understand that the Reserve Fund is used for unforeseen emergencies and these more often than not come at the end of the fiscal year when departments are running out of money. I researched the balance that was returned to General Fund from the Finance Committee Reserve funds and found for each of the last three years there has been enough funds turned back to meet this modest request. Last year, the committee turned back \$43,698.48 to the General Fund, in 2013 they returned \$81,633.47 and in 2012 \$27,576.37 was returned.

I ask that you please consider this amendment. In my opinion it is time for Rockport to vote for this upgrade as a positive advancement for the Town. (applause)

MODERATOR: And just to let you know if you vote for this amendment you are adding the sum of \$21,000 to the operating expense of 161 Elections and taking out of 131 Finance Committee Reserve Fund. Is that correct? (yes)

Now, let's hear from people. Oh, you in the front (laughter) I've seen you before.

TOBY ARSENIAN: Yes and again. This was on the agenda last year as a separate article and we rejected it. I must say, Pat Brown's speech was impressive but I don't buy it. I think that Pat Brown and the people who count the votes do a fine job it's worked for umpteen years and it still works and if you choose to appropriate the \$21,000 and put it in the hands of the company that have these high tech gadgets then we're hooked from now until doomsday to pay for the high tech gadgets and when they fall apart we're on the hook to fix them. Much talk about the appropriation for the Economic Development Committee about employment well \$9.00 an hour isn't going to save anybody from anything but still its useful change and those people take some pride in the work, have done it for years, do a good job of it and enjoy the occasion. It's a pleasant, sociable occasion and now we're to trade it for an expensive machine. What we have already works so credit to those who do it. I think we should keep it in place. I think we should reject this proposal.

WALLY HESS, FINANCE COMMITTEE: I think many of us think we need the voting machines. We think we need the voting machines. It was on the agenda for last year in Article 6 and it got voted down for some reason. We were surprised by that and we weren't ready. It is still an Article 6 type item. Remember what I said earlier about how tight things are this year and how we level funded a lot of the departments and made \$350,000 worth of cuts. That's going to make this next operating year very difficult. We would expect, all else being equal, to have quite a few more requests for funding from the Reserve Fund. In addition to that we've level funded the Reserve Fund this year even though it is below our recommended amount so we think taking the money from the Reserve Fund is a bad place to fund this \$21,000 need. I would think that and we just discussed this that what we would recommend is when we get to Article 6 that somebody make a motion, maybe Pat Brown, to add an item to Article 6, because this is a fixed asset and to have that article be funded by free cash. We would support that.

ANN-PATRICE HICKEY: 11 Eden Road – Hi, Ann-Patrice Hickey, 11 Eden Road for full disclosure one of the town's registrars. I think there's a confusion and this may have been part of the original vote to call these voting machines these are not voting machines. Voting machines help you vote these are only tabulating machines. These machines are not susceptible to the problems voting machines are susceptible to. They are also not particularly fancy. They're no more fancy then the machines that we use to pick up



the test scores for kids when we run stuff through the machines that tabulate those. They're very simple machines. What they do is eliminate the need for eyeballs and multiple countings. They provide a paper receipt that you can look if there's any question later you can hand tabulate it. It's a non-controversial thing and I think it's something that the town should invest in now. Thank you.

PAUL MURPHY, SELECTMAN: Good morning again. This past November I was at Representative Ann-Margaret Ferrante's election night and Gloucester came in at about 8:30PM maybe a little earlier, Essex came in and then we waited, we waited and we waited and we waited and I ended up going home before Rockport came in. The people from Essex and Gloucester were like – we're going to buy you counting machines this is ridiculous. (laughter) Former Congressman John Tierney in 2012, if you remember that election, he beat Richard Tisei by a handful of votes, a couple thousand I think and he told me that it all came down to Rockport. Again, he said "you guys count by hand?" and I said yes we do and he said "Geez, you know.." It's a nice system that we have and the election people do a terrific job counting the votes and counting people in and so forth but I think this is another example that we have to move forward into the twenty-first century and I support this fully. Thank you.

MODERATOR: We will vote in a moment but the Finance Committee and the Town Clerk are conferring. Yes sir...shorts you're an optimist..(response – absolutely)

JOHN PENALOZA: 46 Main Street – I was present for the vote at the last town meeting when we voted down the voting machines. I spoke against purchasing the voting machines because of concerns I have as an IT consultant and I think some other subject matter experts also talked about it. We're a small enough town that we can have the luxury of having paper ballots that we fill out and that are tabulated by hand or apparently also by tabulators which would be a step forward. My only concern or I would like a little bit more details maybe somebody can clarify for me. You mention that we would have a receipt for the voter when you come out of the voting booth. I'd be interested knowing that the machine was tabulating what I was putting on the ballot. Thank you.

TOWN CLERK: There is a representative here from the tabulator company – Joel Bergeron. He's been given permission from the Moderator to speak. If you'd like to come up to the podium. Again he was gracious enough to bring in one of these tabulators so you can actually see it outside. I'm going to let him speak to you and in the meantime - can he speak now or should he come up in Article 6.

JOEL BERGERON, LHS REPRESENTATIVE: First of all I just want to say thanks for having me; inviting me to your town meeting. To answer your question in regards to the IT we actually do a lot of something called logic and accuracy test so before we have those memory cards inside the machine they're programmed to actually count the ballots and the ovals where the votes are filled in. We do testing at the office after that's all programmed. Then it goes to QC, quality control to make sure that all the tests have gone correctly we send those memory cards to the town clerk then they conduct their own test and a little more details about the logic and accuracy test actually Mike Carlson is very familiar with doing this. He's done three – four thousand tests. So he can explain a little bit more about that.

MIKE CARLSON, LHS REPRESENTATIVE: Thank you folks for having us here today we really appreciate it. State law requires that the machines be tested before every election. As Joel did say we have to prepare the ballot in-house and we have to burn the cards to read that particular ballot. These cards are sent to Pat. It's Pat's responsibility as town clerk to test these machines thoroughly before the use on election day. So there is a testing process the state requires for state and federal elections, it's in the statute and it must be followed and she must do that. LHS responsibility is to support her in the elections. If we do use them in May we will be here for the first election. LHS will train her poll workers, we will train Pat and I am going to be here that day to make sure the machines run perfectly. After that the machines are in her possession, owned by the town, and she would control those machines and control the testing process. Our role is support. We will support her if necessary but in most cases elections run smooth even with the tabulators, we have used this tabulator in a number of towns so far with success. That is the process that needs to be followed and of course, as it was said there is a paper ballot that you folks will fill out in your voting booths and put into the tabulator. Any issues after the election, if there's a challenge, or recount then those paper ballots would be hand counted by procedure to get the results so there is that back up there is also always paper to back you up. Thanks for having us. Thanks for having the ability to speak.

MODERATOR: We're going to have a procedural motion now by Pat Brown.

PAT BROWN: The Finance Committee, originally I presented this to the Capital Improvement Planning Committee and it was cut because of funding and that is the reason why I've held this today. But graciously the Finance Committee has said that if I hold this and hold Article 6, add it to Article 6 as a capital request for \$21,000 from free cash, which they said they would have available then they would fully support this being put into Article 6. For that reason I will withdraw my motion to hold the Finance Committee's reserve fund and hold Article 6 and bring this up again.

MODERATOR: So I need the consent of the meeting to allow this motion to be withdrawn. All of those who consent to withdraw this, again we'll hold, we will hear it again in Article 6. That's just a technical thing and we will invite questions at that point. So does anybody object to withdrawing this motion, please let me know.

One objection. Okay I'm going to assume we have consent then of the meeting to do that we will withdraw that motion to hold these two articles and we will move on. Thank you gentlemen we'll hear from you in a little bit.

Now 154 – information systems and technology was held. Is there a motion under 154? 154 anybody?  
Motion under 154? In the back.

SUE WALLER: 184R Granite Street – I wanted to know the difference between the classroom hardware and the software licensing online service. I think that's an awful lot the second one if somebody can explain it that would be great. Thank you.

MODERATOR: Is there an information technology guru to explain? So we haven't decided if we have a motion here to change a figure.

LINDA SANDERS: I expected somebody from IT to be here so I'm going to make a stab at it. I know what's in each line – classroom hardware is as you would expect its computers and printers, things that go right in the classroom. Software licenses and online services are annual licenses and they're very expensive. They're like Microsoft office licenses; they're special licenses for our server support, for cloud support for our financial management system for some of our educational software and I can't name what they are maybe Rob could if it came to that but those annual licenses are you know like twenty or thirty thousand dollars sometimes more each.

SARAH WILKINSON: Just to add to that I assume to some people those numbers actually look a lot larger than they did a few years ago and that's because we're in the second year of the school system and the town have merged our IS & T departments so it's all one department now which is actually saving us money but those numbers look larger because a few years ago they were split between the school budget and IST department.

MODERATOR: Okay anything else under 154. Is there a motion based on that? Do we need any additional explanation? Alright, seeing and hearing nothing we now move on – 914 Group Insurance.

Is there a motion?

TOBY ARSENIAN: Not a motion, a question. Here we have somewhere hidden in this figure for the group insurance the insurance for the members of the Board of Selectmen and I would like to know how much of the total figure covers the insurance for the members of the Board of Selectmen and their families. I believe we're entitled to know at least what we're voting for.

WALLY HESS: Yes, the answer to that is that the family policies cost the town \$18,100 next year and there are four selectmen who are taking that policy.

MODERATOR: All right, anything additional based on that response? Okay – are there any changes to your figures? No changes. Oh, yes in the back.

SANDY JACQUES: Somehow my hold on 400 Department of Public Works didn't get tabulated and I don't necessarily want to change the figures but it's the only department where the department head – Director's salary is not broken out and I was wondering if the Finance Committee realized that and I'd be interested in what that figure is.

MODERATOR: Okay, do you understand the inquiry? No. (background discussion)

SANDY JACQUES: Wally, the question is what is the Director's salary? It's the only department where the department head's salary is not shown as a separate line item. It's always been that way. There are a lot of departments where positions have like Assistant Director or whatever, have been amalgamated into one number but this is the only department with the Director is not shown and I think that is a traditional figure that we have always had. I certainly had it when I was putting these numbers together. Thank you.

MODERATOR: So I guess the question is – what is the salary of the Director of Public Works?

WALLY HESS: Yes, the total compensation is \$106,635.00 and that is split among the general fund, fifty percent to the general fund and twenty-five each to the water and sewer enterprise funds.

MODERATOR: Okay, any additional questions based on that response? Alright, I believe that we are ready to vote on the budget. Would you agree Mr. Chairman? Okay. You want to make that motion?

WALLY HESS: I move that we vote on all of the items that have been held.

MODERATOR: Since we've had no held items we don't really have to worry about that. We haven't had any changes in the figures is that your confirmation?

WALLY HESS: That is true there have been no changes in the total.

MODERATOR: So there actually is a motion on the table to vote the entire budget. Why don't you restate that motion for us and then we'll vote on that.

WALLY HESS: Okay, I move that we approve the entire Article 5 budget.

MODERATOR: What's the bottom line figure?

WALLY HESS: The bottom line figure with all of the changes that were projected up on the screen today is \$27,005,361.

Moved and seconded.

MODERATOR: Just so you know there were no changes to the motion made by Linda Sanders quite a while ago and the bottom line figure is \$27,005,361. Any questions on that? All right, all those in favor please raise your placard. Thank you. All those opposed the same sign.

All right that motion carries. We have a budget. That is great.

The Chair will entertain a motion under Article 5A.

ARTICLE 5A. To see if the Town will vote to raise and appropriate, or transfer from available funds, sums of money for any and all Town expenses and purposes including, without limiting the foregoing, debt and interest, out-of-state travel, wages and salaries, operation of the Town’s Water Enterprise and provide for a reserve fund, all for the Fiscal Year beginning on July 1, 2015 through June 30, 2016, inclusive; or act on anything relative thereto. *(Finance Committee)*

LINDA SANDERS FOR WALLY HESS: I move that the town appropriate from Water Enterprise fund revenues the sum of \$1,666,195 for all items under column 3 of the Table of Estimates under Article 5A on page 52 in the Town Meeting Voters Booklet, Water Enterprise for the operation of the town’s Water Enterprise, and provide for a reserve fund if necessary, all for the fiscal year July 1, 2015 through June 30, 2016, inclusive.

Excuse me, Mr. Moderator, I would also like to add the two line changes. As well as the revisions to the following budget accounts found on page 52 of the Voters Town Meeting Booklet – Direct Labor from \$494,860 to \$497,820 and from Direct Pensions & Benefits \$260,254 to \$261,725.

	FY14 Actuals	FY15 FTM	FY16 Budget
<b>Water Enterprise</b>			
Administration	87,263	91,247	91,309
Direct Labor	443,279	477,346	497,820
Overtime	14,315	17,664	17,664
Fuel, Light & Power	131,823	173,609	183,409
Operating Expense	189,122	190,722	190,722
Clothing Expense	3,333	3,468	3,775
Reserve Fund	2,059	50,000	50,000
Debt Service	163,333	231,529	235,421
Shared Employees Wages, P & B	115,631	152,525	91,313
Direct Pensions & Benefits	7,628	250,335	261,725
Bldg/Liability Insurance	33,200	33,200	43,037
Transfer to Sewer			
<b>Article 5A Summary</b>			
Labor	544,856	586,257	603,833
Energy	131,823	173,609	183,409
Operating Expense	194,514	244,190	244,497
Debt Service	163,333	231,529	235,421
Reimbursement for Services			
Authorized in the General Fund	156,459	436,060	394,604
<b>TOTAL ARTICLE 5A</b>	<b>1,190,985</b>	<b>1,671,645</b>	<b>1,666,195</b>

Moved and seconded.

MODERATOR: You’ve heard the motion which has been seconded. Any discussion on that? All those in favor say aye. Opposed say no.

That motion carries.

Now we move onto 5B.

ARTICLE 5B: To see if the Town will vote to raise and appropriate, or transfer from available funds, sums of money for any and all Town expenses and purposes including, without limiting the foregoing, debt and interest, out-of-state travel, wages and salaries, operation of the Town’s Sewer Enterprise and provide for a reserve fund,

all for the Fiscal Year beginning on July 1, 2015 through June 30, 2016, inclusive; or act on anything relative thereto. *(Finance Committee)*

LINDA SANDERS FOR WALLY HESS: I move that the town appropriate from sewer enterprise fund revenues the sum of \$1,827,257 for all items under column 3 of the Table of Estimates under Article 5B on page 54 in the Town Meeting Voters Booklet, Sewer Enterprise for operation of the town’s Sewer Enterprise, and provide for a reserve fund if necessary, all for the fiscal year July 1, 2015 through June 30, 2016, inclusive. As well as revisions to the following budget accounts found on page 54 of the Voters Town Meeting Booklet: Direct labor from \$468,196 to \$471,156 and direct pension & benefits from \$249,446 to \$250,917.

Moved and seconded.

	FY14 Actuals	FY15 FTM	FY16 Budget
<b>Sewer Enterprise</b>			
Administration	89,080	94,349	94,415
Direct Labor	422,023	455,659	471,156
Overtime	15,568	16,495	16,825
Fuel, Light & Power	214,787	234,684	253,411
Operating Expense	263,598	248,231	246,185
Reserve Fund	0	50,000	50,000
Retained Earnings Deficit Reduction	0	37,083	0
Debt Service	460,278	298,617	315,110
Shared Employees	111,575	111,576	92,560
Pensions & Benefits	7,365	229,153	250,917
Bldg/Liability Insurance	4,225	27,700	36,679
Transfer to Sewer			
<b>Article 5B Summary</b>			
Labor	526,671	566,503	579,436
Energy	214,787	234,684	253,411
Operating Expense	263,598	335,314	296,185
Debt Service	460,278	298,617	315,110
Reimbursement for Services			
Authorized in the General Fund	123,165	368,429	378,684
<b>TOTAL ARTICLE 5B</b>	<b>1,588,498</b>	<b>1,803,547</b>	<b>1,827,257</b>

MODERATOR: And those changes again line 2 direct labor is now \$471,156 and pensions and benefits is \$250,917. Any discussion?

CHARLES PETERMAN: 22 Pleasant Street – One quick question regarding the fuel, light and power I notice that we’ve been taking steady increases on this number annually. There’s been about a thirty-three percent decrease in fuel costs hasn’t there? Over financial year on year I’m just curious as to where the additional expenditure comes in when gas has gone from \$3.20 down to \$2.20.

MODERATOR: Discussion about fuel.

WALLY HESS: Yes, this includes not only fuel but electricity and electricity rates have been going up faster than fuel has been coming down.

MODERATOR: All right, any other questions or discussion? All right, you’ve heard the motion. All those in favor say aye. Opposed say no.

The motion carries.

The Chair will entertain a motion under Article 6.

ARTICLE 6: To see if the Town will vote to appropriate for Capital Outlay Items, such sums of money as set forth in the schedule prepared by the Finance Committee, or any other sum or sums, a copy of which schedule is on file in the Town Clerk’s Office, and which is incorporated herein by reference, and determine whether

such sums will be raised by fees, taxation, transferred from available funds, provided by borrowing, or by any combination of the foregoing; or act on anything relative thereto. *(Finance Committee) (requires 2/3 vote)*

LINDA SANDERS FOR WILLIAM WAGNER, CHAIRMAN OF THE CAPITAL IMPROVEMENT PLANNING COMMITTEE: Moves that the town appropriate \$1,065,691 for the items printed on page 56 in the Town Meeting Voters Booklets as columns 2,4,5 & 6 with the addition of one line for department 164 Elections, voting tabulators in the amount of \$21,000 and to meet this appropriation \$297,565 shall be transferred, no excuse me I added \$21,000 to the wrong number here, (Moderator: If only you had that tabulator you could have figured it out - laughter) Instead of the \$297,565 it's \$318,565 shall be transferred from free cash, \$500,000 shall be transferred from the school roof account, \$7,900 shall be transferred from the Waterways Fund, and \$79,226 shall be transferred from the Parking Meter Reserve, and that the Board of Selectmen is authorized to take any other action necessary or convenient to carry out these projects and purchases.

Moved and seconded.

FIVE YEAR CAPITAL OUTLAY LIST  
Recommended  
for FY2016  
Budget

General Fund

Dept. #	Department	FY2016 Requests	FY16 Requested	Free Cash	Borrowing	School Roof Refund	Waterways	Pkg Meter
164	Elections	voting tabulators		\$21,000				
210	Police	Video Monitoring Cameras	\$ 18,473	\$ 18,473				
210	Police	1 Cruiser; 1 Chief's Auto	\$ 66,726					\$ 66,726
220	Fire	Class A Fire Pumper	\$ 660,000		160,000	\$ 500,000		
330	Schools	Bathroom Upgrades	\$ 15,000	\$ 15,000				
330	Schools	Carpeting	\$ 15,000	\$ 15,000				
330	Schools	Replace Hallway and athletic lockers	\$ 34,755	\$ 34,755				
400	DPW	Highway Drainage Pipe & Accessories	\$ 10,000	\$ 10,000				
400	DPW-Building	Community House Ext Painting	\$ 20,000	\$ 20,000				
400	DPW-Building	Town Hall Annex Generator	\$ 30,000	\$ 30,000				
400	DPW	Solar Powered Radar Speed Signs	\$ 12,500					12,500
400	DPW	Roadway Improvements	\$ 120,000	\$ 120,000				
610	Library	Heating System	\$ 24,337	\$ 24,337				
639	Straitsmouth Isl	Keepers House Renovations	\$ 10,000	\$ 10,000				
295	Harbormasters	Pilings Replacement	\$ 7,900				\$ 7,900	
295	Harbormasters	Old Rockport Harbor Dredging	\$ -					
		TOTAL FY16 REQUESTS	\$ 1,044,691	\$ 318,565	\$ 160,000	\$ 500,000	\$ 7,900	\$ 79,226

Dept. #	Department	FY2015 STM Requests	FY16 Requested	Free Cash			Waterways	Pkg Meter
210	Police	New Parking Meters	\$ 60,000					\$ 60,000
		Total FY15 STM REQUESTS	\$ 60,000					\$ 60,000

MODERATOR: Any discussion on this article?

TOBY ARSENIAN: I would think we'd go through it by the line items the same as we did with Article 5 but perhaps that's not the way we're doing it. I object to the appropriation for the Straitsmouth Island Keepers House Renovations at a cost of \$10,000. I move we delete that line item.

Moved and seconded.

MODERATOR: We will discuss that and any other that anybody wants to hold.

TOBY ARSENIAN: I've got another as well. We voted I believe it was last year to undertake a thirty year lease of the Keepers House out on Straitsmouth Island. We've leased it from the Massachusetts Audubon Society they owned it since they acquired the island from, I believe the Estate of Frances Gibbs and had let the Keepers House go. I believe that perhaps we made a mistake in undertaking the lease. Whether or not we did we now have it, the lease. We have no use for the Keepers House. No town departments meet out there. It's not open for the public. Unless you have your own boat you can't even get out there. With Thacher's Island, the Thacher's Island Committee goes to a great deal of expense and trouble to get people out there so it's worth it for the town that's not the case with Straitsmouth. You need your own boat to get out there not only that, you need to be able-bodied to get off the boat onto the island and if you succeed in all that you're not welcome to go into either the Keepers House or the lighthouse so this is a frivolous and self-indulgent way of spending money when money is very short and you might be told if we don't keep up the Keepers House that the

Audubon society will deprive us of the lease. I say, goodo – then they can have the expense of keeping it up which is the way it should have been to begin with.

MODERATOR: All right, discussion on the frivolous house on the island.

SANDY JACQUES: Are you opening up all of it? Six for discussion?

MODERATOR: We'll go over the departments. We'll hold it, that's a good idea.

SANDY JACQUES: I just have a question of the Finance Committee as to why there might not be a more helpful use for the refund from the school roof \$500,000 by borrowing the whole firetruck which we traditionally do in the debt service which would be substantially less draining over the twenty years that you might be borrowing.

MODERATOR: All right, what we're going to do is we will go through these item by item so don't worry about missing out on any of the fun but for now we'll talk about 639 Keepers House and then we'll go back through and we'll go through each one of these so we're only going to talk about the Keepers House for the moment. Anyone else want to talk about the Keepers House?

PAUL ST. GERMAIN: 74 Marmion Way – In answer to Mr. Arsenian's concerns. The town as he recalls approved the lease of that Keepers House our intent is eventually to turn Straitsmouth Island into what we've done on Thacher Island over the last twenty-five or thirty years. The first step in doing that is to make the Keepers House habitable for keepers to live there during the summer which we intend to do in the next two or three years. This amount of money is just a kick-off to that. We've also applied for a number of funding opportunities with various foundations and the federal government to complete the renovation of that house. We are waiting confirmation of quite a bit of money from these various foundations and sources. We also are planning to do, to build floats, to be able to land at the Gap end of the island and eventually will enable us to open up the island to the public. Today that island is open to the public if they can get out there most of whom get out there as you say by kayak so our plans are our future situation and so I'd just like to encourage that the town can continue to support us as they've supported us over the last thirty-five years. Thank you.

MODERATOR: All right any further discussion from somebody who hasn't spoken on the Keepers House. All right, all those in favor of reducing this by \$10,000. for that renovation please say aye. All opposed say no.

The motion fails.

Now let's talk about any other one of these items anybody has any concern we'll start I guess with voting tabulators and talk about that a little bit.

LAURA EVANS: 77 High Street – I had a question for is it LHS the voting machine company and I wondered how in your experience working with towns like ours how long does it take for them to segway from inputting their votes on paper to inputting electronically into a voting machine and question number two is does LHS sell machines other than tabulators such as voting machines?

JOEL BERGERON, LHS REPRESENTATIVE: I just want to clarify, what was your first question.

LAURA EVANS: The first question is how long does it generally take before a small town goes from capturing its votes on paper to inputting electronically because the must be, you know, a short life cycle for that.

JOEL BERGERON: So basically you're asking just how long does it take for a town to go from a hand count capacity into a voting...(talk not into a microphone) our implementation plan is essentially that we deliver the equipment we train the poll workers we make sure that everybody is comfortable with the machine and we are actually there on election day; the first election day as well for the entire day to make sure that everybody is comfortable with the equipment, with the machine, with the process and we work directly with the Town Clerk to make sure that whatever your, Pat is doing is corresponding with what we recommend and what she would do.

Discussion without microphone.

MODERATOR: Rather than have a discussion back and forth if you have a question we'll get to you in a minute. We'll hear other questions and we'll come back. Anybody else have any questions?

JOHN PENALOZA: I was wondering specifically on the point of the audit trail of the vote itself. One of the big issues with electronic voting machines as happened in the second Bush election was that some of the Diebold machines were suspect because at MIT there was a professor who programmed the proof of concept virus that any voter could go into a voting booth or when they had access to the machine plug in a memory card and have a program run inside the machine that would erase itself after doing its thing and would adjust the vote totals according to whatever the programmer wanted. So it was a wake-up call and especially in the context of that election with the CEO of Diebold saying that he was going to carry Ohio for George Bush, right? So ever since that time there's been a lot of scrutiny of electronic voting systems around the world and there're

very few places in the world that do it properly. For instance, Australia has open source software and it's one of the best systems around, right? In the United States we go with private enterprise to provide that so again the problem comes down to an issue of confidence and faith in the system. No we're not having voter machines where we're plugging a touch screen to decide what our vote is but we are putting our faith in this tabulator to count for our vote accurately. Is there an audit trail there? Is there like a receipt that the machine spits out and says yes you voted in favor of the democratic candidate for this election or you voted in favor of somebody else. It's something that the voter knows that the machine got their vote, right? Like I trust the Rockport humans to count my X and say okay I voted for this issue or this person. I'm not sure if I have the same level of faith in the voting machine.

MODERATOR: Humans versus machine. Fraud.

JOEL BERGERON: It's a good question. I guess what we typically do is we have a lot of seals that go on the machines so as soon as the memory cards get programmed they leave our office securely they go and as I mentioned before they get tested by the Town Clerk. As long as all those protocol are followed and we typically seal the machine so once those memory cards are sealed inside the machine, with a numbered seal on them, then there's no way to, obviously you'd know if you come to the election on election morning and you open the box and the serial numbers don't match what you originally had logged in that would indicate that there has been something that has happened in between the testing originally from when we did the memory cards to the election. I mean, this is, I mean I know what you're talking about with the Diebold thing that goes back a ways and essentially I mean it's almost I don't want to say it's a computer because it's not it's really just calculating a tabulated vote. The nice thing about the new system that we have, by the way, not to, it's actually not the Accuvote which I think you had mentioned in your speech, ImageCast is the name of the machine. This new system as an audit trail, full auditability. It does have a feature it's called ballot review so the voter would insert their ballot and then there's a nice LCD touch screen you would hit the touch screen and you could go screen by screen and it would show you the vote for the race and who you voted for on that race. It does tie up the machine a little bit longer which is why we don't recommend doing that but it is an auditability of somebody to have to be able to do that. The other thing is this machine actually takes a full picture of the ballot so it's almost like a fax machine or a scanner where it just takes a picture of the ballot and that image is actually saved onto the memory card as well so that if at the end of the night it can determine the printout at the end of the night the total results and if you really want to you can go through the poll tape and match everything up the way you see fit.

MODERATOR: And seals do all that?(laughter) (Reply: sorry, scanner)

HEATH RITCHIE: 1 Woodbury Hill – So I spoke with Joel a minute ago. Hey, how's everybody doing? My concern is about the software that runs on these machines its proprietary it's not available for public inspection so there's no way for me to know that it works. The proposed comfort level that we're intended to get around this is based on the so-called logic tests that were described earlier that's what that meant when he said means preparing fifty ballots – 5-0 ballots and then hand counting those and confirming are the totals correct. I'm a professional computer programmer so I'm aware that there's a, there are many opportunities without any malice or fraudulent intent to introduce problems that don't kick in until maybe you're dealing with three digit numbers or four digit numbers. There's over a thousand voters in town so we're going to need to do a..know that these machines work at those levels. It's closed source software that I can't read I have no confidence that it works I mean I'm sure they do their best but this is a pretty important issue so I guess I'm not familiar with Robert's Rules of Order is now an appropriate time for me to move that we not do this?

MODERATOR: Well we're considering the question and we're going to hear from four or five other people then we'll vote on it.

HEATH RITCHIE: I didn't hear anybody actually move that we change the Article 6 motion to remove the \$20,000 to *not* buy the tabulators. Is this a motion to approve \$20,000 specifically for tabulators or is it a motion..

MODERATOR: Well we're going through there's a pending motion now to add the \$21,000. We have it in the motion so you voting to amend it by removing it – is that what you're saying?

HEATH RITCHIE: I'm not familiar with Robert's Rules of Order as I just mentioned so I'm asking whether it's appropriate for me now to move that we not do this.

MODERATOR: Sure

HEATH RITCHIE: So then I guess so moved.

MODERATOR: Okay so there is a motion now to reduce that motion by \$21,000 so we'll speak to that for the tabulators. We'll speak to that – there's a person in the back who had a hand raised.

BRUCE SUNSTEIN: 14 Penzance Road – I have a technical background. I went to MIT when I was a puppy. I'm a patent lawyer and I spend most of my professional days protecting with patents - computer software so I've thought about issues like this. I wanted to emphasize some

points that have already been made and not fully appreciated I believe. The first point is that we're not talking about voting machines. First of all, we will vote more or less in the same way as before by completing a paper ballot therefore when we vote the result that we leave behind is a paper ballot. At issue, I believe, are the acquisition of machines that will make the tallying of these paper ballots more efficient. That's not the same thing as using electronic voting machines because we still will be registering our vote in precisely the same way as before. The second point is that even though a computer programmer knows that people can maliciously or inadvertently make mistakes in programming of computers. Nevertheless computers work reliably to perform a variety of tasks and we are not, oddly enough, the first town to consider the use of machines (laughter) to tabulate our votes (applause) and therefore it may be valuable for these representatives to identify approximately how many different voting jurisdictions have been using their machines for approximately how long. Thank you.

JOEL BERGERON: Just to answer that question currently in Massachusetts, I believe, I don't have the exact number but it's around 290 towns and cities.

MODERATOR: And then way back

I call the question.

MODERATOR: We're not hearing from you right now Sandy. In the way back.

STEVE INCROPERA: 46 Broadway – I think we're killing this. I have more concern about why we remove snow from sidewalks that melted two weeks later. My concern is, is this a one-time expense and they're talking about training and testing and supervising is that an additional expense? Will we have this expense every year?

JOEL BERGERON: So the original price that was quoted includes the scanners, the ballot box, the equipment necessary, four hours of training, election coverage, essentially turnkey for your first election and ongoing costs would be programming and ballot printing; which I believe you're already paying for ballot printing.

PAT BROWN: Presently in elections budget we already have to print up ballots so that cost will be virtually the same. There will be probably a small increase just to program the chips but we'll also be saving money on labor because we won't have people here until the early hours of the morning counting. It's basically a wash. It's a one-time purchase.

MODERATOR: Mr. Jacques was that you before, the gentleman in the back? (Response that got a laugh) I can't hear you – microphone.

SANDY JACQUES: Are you listening to me now?

MODERATOR: You're standing and speaking.

SANDY JACQUES: Typical lawyer response (laughter) I call the question on the motion to amend.

MODERATOR: So that requires a two-thirds vote, not debatable so we're moving the question. All those in favor raise your placard. (Much audience confusion) This is to call the question on this item which is to reduce the motion by \$21,000. Is that what you said Mr. Jacques? You're moving the question? On this item only.

We're moving to call the question on Item 161 voting tabulators. We're just voting on whether or not we're going to vote on that question, which is 161 voting tabulators, we're not voting on that question, we're voting on whether we're going to end debate and vote on it. That's what moving the question is. And now he's waving that he didn't say that.

SANDY JACQUES: I believe there's a motion on the floor to *amend* the motion.

MODERATOR: That's right and that's

SANDY JACQUES: Wait a minute, listen, what I am calling the question on is the motion to drop \$21,000. I don't think that's the same thing as what you're saying.

MODERATOR: Yes I think what you're asking is is there a motion to reduce by \$21,000 Article 6 the first motion which essentially is dropping these voting tabulators. That's what we've been talking about. Now your question, I believe that you moved that question so we would vote on it. Is that correct?

(Audience noise)

SANDY JACQUES: The motion on the floor is to drop the motion by \$21,000. MODERATOR: That's correct. SANDY JACQUES: Once that motion fails or passes you still have another motion which is to deal with that item. You're not doing them both at once because you don't know how the outcome is going to come. Come on Darren.



MODERATOR: I'm not following you here.

DARREN KLEIN: The only motion on the floor is whether or not to end debate and move the question on the motion to amend the main motion by deleting the \$21,000 for the tabulators. You're only voting right now on whether or not to end debate on that issue.

MODERATOR: You're shaking your head. Did you not mean to move the question as to that item? Okay so now we are just ending debate. What the vote is going to be on now whether to end debate on whether to reduce the motion under Article 6 the first motion by \$21,000 we're not voting on the merits of it we're voting on whether to end debate. That requires a two-thirds vote and it is not debatable.

All those in favor of ending debate (loud cheers) thank you. All those opposed the same sign.

Okay so now we are going to vote on the amendment to that motion which is to reduce Article 6 the first motion of it by \$21,000 by dropping the voting tabulators. Everybody understand that? We have a question in that somebody doesn't understand so hold on let's get you a microphone person.

MARCIA SIEGEL: 1 Castle Lane – I believe we have not added the \$21,000 to it so we can't subtract it without subtracting the total.

MODERATOR: It actually was added when the motion was made so now we have to subtract it out if we don't want it. That's how the motion was made. It wasn't in there when we started the morning but we amended it to add that seems like six or seven hours ago (laughter)

Okay there is no further debate now on the merits but if you don't understand what it is we'll hear from you. We are now voting on whether to amend Article 6 the first motion by reducing \$21,000 the voting tabulators which were inserted a while ago. Everybody get that? Somebody doesn't get that. Okay.

HELEN BARNETT: 3 Jerden's Lane – I just want to be very clear. If we vote yes we're subtracting \$21,000 if we vote no, we are not subtracting that money.

MODERATOR: That's correct. A yes vote removes the voting tabulators and a no vote keeps them because they were added when we started this discussion. Everybody understand that? Okay. All those in favor of reducing those sums by \$21,000 and thus removing the voting tabulators please raise your placard. Thank you. All those opposed the same sign.

All right, we have the voting tabulators. (applause)

MODERATOR: Now, does anybody else want to discuss any of these other items on this motion? Yes in the back – red jacket, sort of bluish sweater. Stand up please and wait for a microphone guy.

SUSAN MORRIS: 10 Babcock Road – I'm just questioning the generator for the town hall annex.

MODERATOR: Say that again please.

SUSAN MORRIS: I'm questioning the cost of the generator for the town hall annex.

MODERATOR: Okay, item 400 DPW building town hall annex generator. I guess we just need somebody to explain what a town hall annex generator is and why we need it.

BILL WAGNER, CHAIR OF THE CAPITAL IMPROVEMENT PLANNING COMMITTEE:  
147 Granite Street – The town hall annex generator is to service the town's servers that are located in the computer facility in the annex. This will provide uninterrupted power supply in the event of a power outage for the servers. There is some protection currently but it only lasts for a few minutes and this will enable a prolonged outage to be sustained without the servers going down. When servers do go down there is some risk of data loss, programming loss and that would, I guess cost a great deal of time and, mostly time in reprogramming, resetting up the servers so that's the purpose of this. I think you can go around Rockport and find many homes have them as well.

MODERATOR: Not to mention voting tabulators which need power. (laughter)

I have been told that Senator Bruce Tarr is in the building. There he is in the back. Senator Tarr we once again thank you for all that you do for our community. You work tirelessly for us and you do things behind the scenes that we don't even know about that help our community and we all appreciate it. Thank you very much. (Applause)

Okay, so we were talking about generators. Do we have any kind of motion having to do with generators? That would be a charged article. (moans)

Anything further on this list that we need to talk about?

TOBY ARSENIAN: I move we eliminate the last line item, new parking meters at a cost of \$60,000 and adjust the total accordingly. The Board of Selectmen were going to have a parking study. They were going to have a parking plan. Both the parking study and a parking plan if competently and honestly done

MODERATOR: Toby I'm going to interrupt you. I was told that that was included so people would see it but that's a special town meeting item and so we've already voted it so it's not appropriately part of this. It was just included for full disclosure I believe.

TOBY ARSENIAN: I was totally unaware that it slipped past; at what point did it slip past?

MODERATOR: You've already gotten a ticket on this one. It was a while ago that your time ran out on this one. September.

Anything else on this first motion and we're holding the fire truck it is going to be the second motion that requires borrowing. Anything else on this first motion?

CHARLES PETERMAN: You've clarified that the fire truck is the second motion.

MODERATOR: Okay, anything else on the first motion? All righty. You've heard the motion. All those in favor please raise your placard. Thank you. All those opposed the same sign. The motion carries. And now we move onto the second motion that requires borrowing so it requires a two-thirds vote.

LINDA SANDERS FOR BILL WAGNER: I move that the Town appropriate \$160,000 for the item printed on page 56 in the Town Meeting Voters Booklet as column 3, "Borrowing" and to meet this appropriation the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow the sum of \$160,000 pursuant to G.L. Ch. 44, §§8 or 9 or any other enabling authority and issue bonds and notes therefor; and that the Board of Selectmen is authorized to take any other action necessary or convenient to carry out these purchases.

Moved and seconded

MODERATOR: Any discussion about the fire truck?

CHARLES PETERMAN: 22 Pleasant Street - I'd like to follow up on Sandy Jacques' original question as to why this was drawn as \$500,000 of direct funding and only \$160,000 of borrowing as opposed to a larger borrowed amount so as to free up capital for our other numerous expenses this year.

BILL WAGNER: 147 Granite Street – I am Chair of the Capital Improvement Planning Committee. When we considered the fire truck at a cost of \$660,000 frankly we were, because we were looking for not doing any additional borrowing this year due to I guess, the debt service increases the town has incurred we were able to find that some years ago the school roof was voted to be replaced and that was a borrowed item. The replacement was done; the borrowings were done concurrent with the school roof being replaced the town had applied for reimbursement from the state. That reimbursement came in after the borrowing had been in place to the tune of five hundred plus thousand dollars. So we've had that money for several years now sitting around without a use and we determined that the only way to use that money is to apply it against a new project of comparable life to the original project. It could not be used to repay the debt on the school roof therefore with a fire truck that has a life of twenty years or more this is a comparable life item and that \$500,000 can be used to reduce the amount that the town would borrow for the fire truck to \$160,000 instead. Does that answer the question?

MODERATOR: Any other fire truck questions? Okay, you've heard the motion it requires a two-thirds vote. All those in favor of a shiny new red Class A fire pumper truck raise your placard. Thank you. Opposed the same sign.

That motion carries by more than two-thirds.

So now we move on to item 6A.

ARTICLE 6A. To see if the Town will vote to appropriate for Capital Outlay Items for the Water Enterprise, sums of money as set forth in the schedule prepared by the Finance Committee, or any other sum or sums, a copy of which schedule is on file in the Town Clerk's Office and which is incorporated herein by reference, and determine whether such sums will be raised by fees, taxation, transferred from available funds, provided by borrowing, or by any combination of the foregoing; or act on anything relative thereto. (*Finance Committee*)

LINDA SANDERS FOR LAURENE WESSEL, Capital Improvement Planning Committee Member, and also Finance Committee member moves that the Town appropriate \$10,000 for Water Meter Replacements and \$50,000 for Great Hill Water Pressure Improvements for the following items in the column marked "Free Cash" under Article 6A – Water Enterprise Fund, on page 57 in the Town Meeting Voters Booklet, and to meet this appropriation \$60,000 shall be transferred from Water Surplus and that

the Board of Selectmen and the DPW Commissioners are authorized to take any other action necessary or convenient to carry out these projects and purchases.

Moved and seconded.

MODERATOR: You've heard the motion. All those in favor say aye. Opposed say no.

The motion carries.

Now on to 6B.

ARTICLE 6B. To see if the Town will vote to appropriate for Capital Outlay Items for the Sewer Enterprise, sums of money as set forth in the schedule prepared by the Finance Committee, or any other sum or sums, a copy of which schedule is on file in the Town Clerk's Office and which is incorporated herein by reference, and determine whether such sums will be raised by fees, taxation, transferred from available funds, provided by borrowing, or by any combination of the foregoing; or act on anything relative thereto. (*Finance Committee*)

LINDA SANDERS FOR LAURENE WESSEL: I move that the town appropriate \$70,000 for the items under Article 6B as printed on page 58 of the Town Meeting Voters Booklet in the column marked "free cash" and to meet this appropriation, \$70,000 shall be transferred from Sewer Surplus and that the Board of Selectmen and the DPW Commissioners are authorized to take any other action necessary or convenient to carry out this project.

Moved and seconded.

MODERATOR: Any discussion? You have heard the motion. All those in favor say aye. Opposed say no.

The motion carries.

The Chair will entertain a motion under Article T.

ARTICLE T(7): To see if the Town will hear, receive and act upon the report of the Ad Hoc Committee on Town Water Supply appointed pursuant to the vote of the 1980 Annual Town Meeting under Warrant Article 6 and extended by votes of successive Annual Town Meetings through and including the 2014 Annual Town Meeting under Warrant Article S, and extend the term of the Committee; or act on anything relative thereto. (*Moderator*)

LINDA SANDERS FOR SELECTMAN MURPHY: I move that the town hear, receive and act upon the report of the Ad Hoc Committee on town water supply appointed pursuant to a vote of the 1990 annual town meeting under warrant article 6 and extend by votes of successive annual town meetings through and including the 2014 annual town meeting under warrant article S, and extend the term of the committee.

MODERATOR: Okay so we're going to hear this report, we're going to hear from another committee member and then you guys will vote whether to extend the term of this committee for another year.

DOROTHY CARVALHO, CHAIRMAN: The Ad Hoc Committee on Town Water Supply was appointed at the 1980 annual town meeting by the Moderator, and has been reappointed each year since then. Its charge was to assist the Director in the investigation and make recommendations relating to the town's water supply. At the time of the committee's creation the structure of the Department of Public Works was much different. There were no Commissioners nor an assistant to help him with the many concerns about expansion, maintenance, and improvement of the town water supply. The Town Engineer did work closely with him. The current DPW's enlarged personnel department is now able to address all engineering and technical issues, and is a source to whom citizens can bring concerns or ideas. Recently a thorough Water Needs Assessment for the town was completed, and now implementation of its recommendations can move forward.

From its inception in 1980 the committee has consisted of up to nine volunteers, many of whom have been engineers. Edward Alan Boulter, better known as Al Boulter, acted as our chairman until his death a few years ago. He grew up in Rockport and had worked on town water issues since the 1950s. His vast civil engineering knowledge and suggestions about water supplies and distribution, provided an invaluable source of ideas to the town's DPW and to us, the members of the Ad Hoc Committee. Another member who provided new ideas for both storage and distribution was Ed Cob, a former employer of Metcalf and Eddy, and an expert in town water supplies. It was his recommendation that brought the Pool's Hill water storage tank on line. A third member I'd like to acknowledge is Nick Barletta, who first worked with us as a selectman and since then as a member representing the select board, bringing great knowledge of the town's water system as well as procedural information about passing of articles to be put before the electorate. We also had Fred Grover who provided assistance in financial procedures drawing upon his years of service on the Finance Committee. For several years we had Alan Hovey whose interest in the history of Rockport's water supply resulted in a book documenting much of the

water supply's history. The Director of the DPW Don Atkinson, the Town Engineer George Robertson, as well as Roy Lee the Chief Plant Operator at the Water Treatment Plant all worked closely with this committee to ensure a reliable high quality water supply for the town. In addition to engineers some of us have been residents, representative of the general public, and we too worked closely with the Director of the DPW making suggestions for improvements, and reviewing studies which were bid out to various engineering firms. This collaborative group's work and recommendations have resulted in an updated and sophisticated water system, with most distribution pipes replaced and improved, some of which can flow in two directions to allow for the redistribution of various water sources then in current use by our town's water supply system. We have pursued and have received state approval for future water sources and storage, such as those for the Flat Ledge Quarry Dam, as well as our deep wells which are new to our system and are currently being prepared to be put on line. Water quality is greatly improved, and as a committee we take pride in our accomplishments, in our part in the development of the Rockport water system.

Since we are no longer charged with responsibility for assisting the director, we believe that we should disband. We remain committed to going through and organizing the many records we have. Their filing is important for two reasons: To provide the town with any records it may not have at the DPW office and to provide the town with an historical sequential history of its water system, its land acquisitions to protect its supply, and permits acquired from the state to protect future sites for storage of water. These files also include ideas that have not yet been acted upon or explored to date such as the idea of desalinization of the town's water supply or the building of the dam at the Keystone Bridge to ensure the storage of water which currently runs off into the ocean. Documents about these things need to be preserved. Therefore, as we disband it is with a sense of sadness we end many years of working together to protect and improve our water system. We encourage continued volunteerism and participation in the solving of any water source issues that the town is sure to face in its future. In reality, it is through the efforts of at least 24 volunteering citizens over the last 35 years that we have left the town's water supply system in better shape than we found it 35 years ago and we feel great pride in what we have accomplished.

Respectfully submitted: Dorothy Carvalho, Chairman; Laura Fillmore, Clerk; Steve Scatterday, Nick Barletta and Mike Roskowski (applause)

LAURA EVANS: Hi there, I'm Laura Evans, 77 High Street and I feel like I have to report to the town I was the lone descending voice on disbanding the Ad Hoc Water Committee and maybe I'd have to explain that I've only been on the committee for three years and it's really been a privilege to serve with those who have been there for the full thirty-five like Dodie who did a fabulous job and Steve who has been on the committee for twenty-some years, Nick as well I think over thirty years but I don't think that at this we can say mission accomplished at this point I think there's plenty of work for citizens still to do to kind of help support the DPW and their efforts with our water supply. We live on an island we drink the water that falls into the quarries. There's a lot that remains to be done in the area of water preservation, water conservation. We shouldn't be complacent about the lack of drought at this point. Problems will come up there's a lot of non-engineering issues that have to do with our water supply and as a citizen's committee I think we could serve a major purpose in this regard not least to take a look at the water vulnerability assessments that the DPW has taken in response to the Bioterrorism Act of 2002 which requires that drinking water utilities serving more than 3,300 people conduct vulnerability assessments and develop emergency response plans. EPA and its partners, I'm reading from the government website it's federally mandated that we have these assessments EPA and its partners help utilities meet these requirements by developing tools and methodologies that identify and prioritize threats to drinking water and waste water infrastructure evaluate vulnerabilities, create standards frameworks for risk management and plan for counter measures to reduce that risk and I think as citizens we should inform ourselves and be aware of the importance of keeping our water supply pure so I would move to keep the Ad Hoc Water Committee alive continuing on after year 35 and I, as a committee of one, I would volunteer to continue meeting on the last Tuesday of every month in town hall for one hour at five o'clock and invite volunteers and if I come before fall town meeting and I'm still all by myself then disband the committee but I think it's premature and disempowering for the citizens of Rockport to say mission accomplished and dissolve the Ad Hoc Water Committee. Thank you.

MODERATOR: Well, interestingly it is up to the town to vote to extend the committee and I would imagine if we do so it would be knowing that they would have to, interesting knowing it's water, reconstitute themselves starting with just one member but that is our right and so if this meeting votes to extend the committee then I don't think we hear in the fall necessarily but we hear a year from now whether they have met at all and whether there's still an active committee. So we certainly want to vote on receiving the report and on thanking you from the bottom of each and every one of our hearts for all the important and necessary work that that committee has done over the years. All those in favor of receiving the report with gratitude please make the appropriate noise. (applause)

And now if you want to talk for a moment or two before we vote on whether to extend the term of that report we can do so.

ZENAS SEPPALA: 92 Granite Street – I'm going to talk a little bit later I hope when the alcohol

relaxation rules come up and in the course of that talk I'm going to be bringing up some old committees that were disbanded and I think it's a good idea to keep some of these committees that somebody may think have outlived their purpose but they don't cost anything to the town somebody's there keeping a, what should I say, an eye on the door and I think if it doesn't cost anything and she wants to keep the ad hoc committee going I can certainly point later on to another example with that would have been very, very, very beneficial to the town. Thank you.

MODERATOR: And I won't ask anybody to answer this but of course, if we want to do this it would be nice to have some people serving on the committee so I would love to hear from potential volunteers. Anybody else want to talk about this. Yes sir, Eric. Wait for the microphone gal in this case.

ERIC HUTCHINS: 45 Pooles Lane – I was the Chairman of the Watershed Protection Committee for quite a few number of years so I can certainly speak with experience on working on very similar issues and I strongly support Laura's efforts. Anything that a town can do to have citizens involved with overseeing thinking on a daily or monthly or even if it's just a weekly basis whatever on probably one of our single most important resources we should always embrace that. This isn't the state of Florida we're allowed to use the word climate change, some places we're not allowed to. Things are changing and water is the number one thing that's changing between sea level rise and changes in climate which is going to affect our drinking water one way or the other positive or negative so having people involved with natural resources that are under continuous flux and change only works to our benefit - can't see any negative to it whatsoever. Thank you. (applause)

CAMILLA AYERS: 135A Main Street – One of the things that's concerned me about this committee for many years and I want to raise, as a question as we prepare to vote on this is the nature of its reporting. Water's an extremely serious issue here in town for everyone who lives here not just for the people who come to this meeting and its concerned me that these reports have been delivered orally to this meeting since its inception, since the inception of the committee and I would like to see if they are going to have a committee continue I'd like to see their annual reports printed with the other reports of all the other departments and committees in the town that way everyone has access to it and you can sit down and read it and think about it. It's very hard to absorb the information this committee brings to this meeting when you hear it orally for the first time and you have had no time to think about it so as we consider whether or not it should continue, I strongly suggest that its annual reports be included in the publication in the Town Reports. Thank you. (applause)

MODERATOR: And I'm certain that you are heard loud and clear and I would imagine that for people who are vivacious computer users like Toby it'll appear on the town's website as well. Anybody else? Okay then it is our duty to vote as to whether or not we are going to extend the Ad Hoc Committee on Town Water Supply by another year and anticipate that we'll hear something at the next annual town meeting. All those in favor say aye. Opposed say no.

The motion carries. Thank you Laura.

We will hear Article U which will be followed by Article N.

The Chair will entertain a motion under Article U.

ARTICLE U (8): To see if the Town will vote to accept the reports of its officers, boards, departments, committees and commissions, as printed in the 2014 Annual Town Report or as otherwise submitted to Town Meeting; or act on anything relative thereto. (*Moderator*)

LINDA SANDERS FOR CHAIRPERSON WILKINSON: I move that the Town accepts the reports of its officer, boards, departments, committees and commissions, as printed in the 2014 Annual Town Report or as otherwise submitted to town meeting.

Moved and seconded

MODERATOR: Moved and seconded and there's a whole gaggle of them in the back.

TOBY ARSENIAN: If you look on page 70 which is where Article U is, located below that you will see the report of the Rockport Economic Development Committee. I wonder about that. The phrasing on this is not the phrasing that we've had for umpteen years commissions as printed in the 2014 Annual Town Report and now we've got added, and this is the departure, or as otherwise submitted to town meeting. So the Economic Development Committee is privileged to submit twice, once in the Annual Report where they get two pages along with various other committees and now here as well. I think that's improper and I think that's a strange departure from past procedure. I don't know that it does any harm. What I want to know is when we accept the reports we're not endorsing them. I want that confirmed by Town Counsel.

MODERATOR: If you have looked at that please wash your eyes out with soap. It's there, you can look at it or not look at it and I guess it is in the Town Report also. All those in favor of receiving the reports please say aye, opposed?

The motion carries.

The Chair will entertain a motion under Article N. Okay it was pointed out M and N are substantially similar so we will hear both of those starting with Article M as in Mike followed by N as in November.

ARTICLE M (9): To see if the Town will vote to reauthorize pursuant to the provisions of General Laws, Chapter 44, Section 53E½ the Community House revolving fund as voted in Article H of the September 8, 2014 Town Meeting to which receipts received in connection with use of the Community House shall be deposited and may be expended by the Director of Public Works for Community House building maintenance purposes, said sum not to exceed a certain amount in FY2016; or act on anything relative thereto. (*Department of Public Works*)

LINDA SANDERS FOR BRUCE REED: I move reauthorize the Community House revolving fund originally authorized under Article H of the September 8, 2014 Town Meeting in accordance with General Laws Chapter 44, Section 53E1/2, as specified in Article M as printed in the warrant; and to set the maximum expenditure for FY 2016 at \$7,500 and that any fees collected be deposited into said fund and expended for the purposes specified in the Article.

Moved and seconded.

MODERATOR: Any discussion? You've heard the motion. All those in favor say aye. Opposed say no.

The motion carries.

The Chair will entertain a motion under Article N.

ARTICLE N (10): To see if the Town will vote to reauthorize pursuant to the provisions of General Laws, Chapter 44, Section 53E½ the School Transportation revolving fund as voted in Article E of the September 8, 1997 Town Meeting to which receipts received in connection with use of non-mandated School Transportation services shall be deposited and may be expended by the School Superintendent for non-mandated school transportation purposes, said sum not to exceed a certain amount in FY2016; or act on anything relative thereto. (*School Committee*)

LINDA SANDERS FOR CHAIRMAN MICHAEL KELLY: I move that the town reauthorize the School Transportation revolving fund originally authorized under Article E of the September 8, 1997 town meeting in accordance with General Laws Chapter 44, Section 53E1/2, as specified in Article N as printed in the warrant; and to set the maximum expenditure for FY2016 at \$18,000 and that any fees collected be deposited into said fund and expended for the purposes specified in said Article.

Moved and seconded.

MODERATOR: Any discussion? Alright you have heard the motion. All those in favor say aye. Opposed?

The motion carries.

We move onto Article Q and following Q we have H. The Chair will entertain a motion under Article Q.

ARTICLE Q (11): To see if the Town will vote to authorize the Board of Selectmen to petition the General Court for a special act in the form set forth below, authorizing the Board to issue year-round and seasonal wine and malt beverage licenses for licensed food and beverage facilities; provided, however, that the General Court may make clerical or editorial changes of form only to the bill, unless the Board of Selectmen approves amendments to the bill before enactment by the General Court; and, provided further that the Board of Selectmen is hereby authorized to approve amendments which shall be within the scope of the general public objectives of the petition.

AN ACT RELATIVE TO THE GRANTING OF WINE AND MALT ALCOHOLIC BEVERAGES LICENSES TO BE DRUNK ON THE PREMISES BY THE TOWN OF ROCKPORT.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Notwithstanding sections 11, 11A and 17 of chapter 138 of the General Laws, or any other general or special law to the contrary, the board of selectmen of the town of Rockport may place upon the official ballot to be used at the next annual or special town election the following question:

*“Shall the board of selectmen be authorized to grant up to 3 year-round licenses and up to 2 seasonal licenses for the sale of wine and malt beverages to be drunk on the premises by patrons of restaurants or other licensed food and beverage facilities approved by the board of selectmen?”*

Yes

No

If a majority of votes cast in answer to the question are in the affirmative, the town may grant licenses for the sale of wine and malt beverages to be drunk on the premises of restaurants and other applicable establishments. Nothing in this act shall authorize the issuance of licenses for the sale of all alcoholic beverages not to be drunk on the premises. The board of selectmen may from time to time issue regulations for the granting of the licenses and define terms appropriate to carrying out the objectives of this act. Notwithstanding section 12 of said chapter 138, the board of selectmen, in its discretion, may limit the hours during which such sales may be made. The granting of such licenses shall in all other respects be governed by said chapter 138.

SECTION 2. The restrictions on the on-premises alcoholic beverage licenses approved by the voters of the town of Rockport pursuant to chapter 470 of the acts of 2004 are hereby amended by deleting the restriction that said licenses shall only allow service “to patrons who are seated at tables or on stools for the consumption of meals,” and further by authorizing the Rockport board of selectmen to issue such licenses to “restaurants or other licensed food and beverage facilities approved by the board of selectmen.” All other provisions of chapter 470 of the acts of 2004 shall continue to apply.

SECTION 3. This act shall take effect upon its passage.; or act on anything relative thereto. (*By Petition*) (*majority vote*)

LINDA SANDERS FOR PETER BEACHAM: I move that the Town authorize the Board of Selectmen to petition the General Court for a special act in the form set forth on pages 66 and 67 under Article Q in the April 4, 2015 Town Meeting Voters Booklet, authorizing the Board to issue year-round and seasonal wine and malt beverage licenses for licensed restaurants provided, however, that the General Court may make clerical or editorial changes of form only to the bill, unless the Board of Selectmen approves amendments to the bill before enactment by the General Court; and, provided further that the Board of Selectmen is hereby authorized to approve amendments which shall be within the scope of the general public objectives of the petition.

MODERATOR: Moved and seconded. Before we hear from Mr. Murphy on this just a technical point you will or may notice that we changed the word in the motion from drunk to consumed, need say no more on that but the term used in the Alcoholic Beverage Commission is drunk but we in Rockport like to use the word consumed for obvious reasons and this was originally written to say restaurants or other licensed food and beverage facilities which caused people to say what the heck does that mean so to be consistent with the earlier regulations a restaurant is a restaurant and so the rest of that description has been deleted as well, having said those things we will now hear from Mr. Murphy.

PAUL MURPHY: Thank you, Mr. Moderator and good afternoon everyone. I rise this morning – or this afternoon in support of this citizen petition that has been put in front of us as I am confident that it will benefit the Town of Rockport and the many year-round residents who frequent our restaurants in the downtown area.

Before I speak on what I believe are the merits of this petition article, I would like to encourage everyone with a strong opinion on either side of the issue to please speak out and let your voice be heard. I feel strongly that the exchange of ideas in this forum is immensely beneficial and serves as an effective means to understanding each other’s position. I look forward to a spirited and healthy debate on the floor and I invite all residents who wish to speak to do so. Being able to freely express one’s opinion on issues facing the town is one of the finest attributes of an open town meeting form of government.

I do, however, want to preface my comments by saying that I hope that citizens on both sides of the issue, supporters and detractors, refrain from getting personal with each other as opposing views are debated. Unfortunately, the practice of insulting one another seems to be the norm these days from the federal government in Washington all the way down to local government. Some resort to personal attacks on one another’s character simply because they don’t agree on an issue. As a society, I think we are missing the boat regarding this and I know this town is better than that and when we disagree on an issue that together we can rise above the politics of personal attacks and agree to disagree and move on without the temptation of insulting each other. (applause)

Now, I fully recognize the topic of alcohol regulations in Rockport is a very emotional issue for some people and I respect that. Let’s move forward to discussing this afternoon, have a discussion this afternoon in which we argue the merits of the petition and the shortcomings that may exist. We must above all be above board and treat our fellow citizens and residents with the respect each one deserves regardless of our positions. Everyone in this gymnasium, this afternoon, wants what’s best for the Town of Rockport otherwise we wouldn’t be here.

Mr. Moderator, I do support this petition article fully. I believe the Town of Rockport has for 10 years proven that serving alcohol in our restaurants has not been problematic and that it has actually been an advantage to our patrons, restaurant owners and merchants. I also believe that it is time to move forward and loosen the regulations so that customers will have the option to have a drink while waiting for a table in a restaurant or have a beer when sitting watching a ballgame. Make no mistake, this does not mean that a bar would open in Rockport. Under the proposed regulation changes any

establishment permitted to serve alcohol must serve food. I want to repeat and be completely clear – bars are not in the equation here.

I have had the privilege and honor of being a selectman for two terms now and one of the most consistent comments that I hear from people when discussing the economic issues facing the town is, “why can’t we have an establishment like Halibut Point Restaurant in Rockport where people could gather and talk over a drink and a meal?” The vast majority of people with whom I have spoken over the years, support this endeavor and would like it to become a reality. These comments have come from people spanning across the generations. To cite an example, residents in my age group who say that they would enjoy having a place or two in Rockport to go out on a Saturday evening, perhaps with other couples, to enjoy dinner together. This can only be accomplished now seasonally as the majority of our restaurants close due to lack of restaurant interest in the off season. In my opinion, loosening up some, not all, of these restrictions would help. I envision someday that local people will be able to spend their hard-earned dollars in Rockport at our local restaurants year-round, similar to our neighboring communities that benefit from Rockport people. Let’s keep the money on the table here in Rockport.

In closing, if this article passes the meeting today, the next step will be to submit it to Beacon Hill and the state legislature for their approval. If it’s successful on Beacon Hill, the final step will be to put it on the ballot for the residents all to weigh in. I hope that you will support this petition. Thank you. (applause)

PETER BEACHAM: Good afternoon I am Peter Beacham, 4 Quarry Run here in Rockport. It was ten years ago when I stood here and we passed for the first time in 160 years the ability to have a drink in Rockport. You know it’s very interesting to note all the assets we have in Rockport. We have the arts, both visual and performing; we have oceans and beaches; we have great schools, we have a fantastic mix of people represented here today. Everybody knows their neighbors. Everybody cares for their neighbors. It’s a great place we all enjoy and want to protect. In my opinion, Rockport is on the cusp of doing some great things and researching even greater opportunities to make us even more attractive to everybody that wants to think about Rockport as a destination, to visit, to live, to raise families. My goal is to find ways to improve our own town economy. We need to take advantage of our strengths. We need to move forward. We need to make it more inviting and satisfying for all of us that live here to be more welcoming to those that visit to find ways to make it even more cohesive and more neighborly. To have places to meet and greet each other year-round without leaving town. You know, it’s like the Bean and Leaf and Brother’s Brew and the Red Skiff and Hula Moon each one of those places fill a void that previously existed and it’s a welcome thing to have here in town. In short, let’s strive to have all year-round facilities to eat, to have a cocktail, to meet our friends and to breathe life into Rockport. This would be good for our local businesses but mostly it would be wonderful for all of us to enjoy bucolic town all year-round. All of our neighboring towns already do this, shouldn’t we? Heretofore many restaurants that I have personally spoken to wouldn’t make the investment with the current law on our books. So what do we do? Well we do have a plan and we have an idea. Ask yourselves, as recently suggested what happens to all the money many of us spend going out to eat or to have social time with neighbors and friends and families. We go to Gloucester and to Essex and to Manchester and elsewhere. All that money leaves town. Why not put that into our own community, in our own economy which will help create new jobs and new opportunities. It certainly would be more neighborly. So our proposal is to eliminate the most restrictive clause in our current law, which is that you have to have a meal in order to pour a glass of wine, a beer or a cocktail but recall places that do serve alcohol must be a licensed restaurant and serve food fulltime when they are open. So just to repeat we are eliminating that sentence from the current law. Also currently we only have one type of license which is an all alcoholic beverage, you can’t have separate ones. We propose that we add five new licenses for places that only wish to serve wine and beer along with of course, food would have to be served in those facilities as well. No hard liquor would be available. There would be three year-round and two seasonal licenses for this. Now this isn’t all going to be easy and I can’t promise immediate success and I encourage any and all of you that are interested in trying to help to please get together with me and with others so we can make this happen a little faster than would normally be. It will take time to attract new facilities. But the good news is there are two currently in the works right now and hopefully as soon as we get all of the process completed they’ll be open. Maybe even before hand and there are another one or two that are in serious discussions and negotiations for year round facilities. Now for some of those that may be here you may be concerned about the possible ramifications, I know we were worried about them in the past, in the past ten years not one complaint has been filed in or filed with police, not one. None of what the opposition said ten years has happened. Nobody has been run over by a beer truck. Rockport is still safe as it always has been. The crime rate has not increased, not one complaint, not one in ten years. We are safer now than before because we have control. In addition the Board of Selectmen manage all the rules and regulations of this issue. They cannot change the law but they do have control over who gets a license and who can’t and proper rules are obeyed by everybody who has a license also bear in mind what the process is as we’ve just heard. Hopefully you’ll approve this article today. Two, it then goes to the state for approval by both the House and the Senate. Senator Tarr just recently just a few minutes ago said he would do everything he can to expedite this process and it gets signed by the governor, it then comes back to Rockport for a vote at the next federally authorized election. I don’t know exactly when that is at this point but we have to go through, it does have to be voted in by the whole town. So that’s what I have to say. I’m an optimist fueled by optimism is the thing that’s on my car, you may have seen it



running around town. I thank you for listening, thanks to many of you for your encouragement and support. Please vote yes on this issue and let's make Rockport even better for those of us who have chosen this unique, spectacular place to live, to raise our families and mostly enjoy. I raise my glass – cheers to you all. (applause)

TOBY ARSENIAN: I'm sure that Peter Beacham believes what he says about not one complaint I happen to know people who were neighbors of the Shalin Liu who did complain of noise when they had paid people coming in renting the place so how many more complaints there have been, I don't know. To be sure there haven't been riots or disturbances which some of us who were against the alcohol had feared. It is also true that ten years afterwards the streets are not awash in money, life is not all peaches and cream as had been promised. Remember those were the promises from before if only we voted for the alcohol all would be well and all would prosper. You hear again and again about it being for the benefit of the town, it might or might not be for the benefit of the people who get the licenses some of them might prosper and make a fortune others might fail miserably, without a crystal ball we can't tell. We have only the proponent's hopes and suppositions. As for what the town actually gets from the alcohol licenses, I've got the figures for the four annual licenses now in place we get \$7,500.00 for the five seasonal licenses we get \$9,000.00 and for the four one day licenses that were issued for events we got \$400.00. That's a total of \$16,900.00 that the Town of Rockport got. Everything else that was derived from the sale of alcohol went into private pockets so it may be a prosperous thing for those who get the licenses. For the Town of Rockport it's no bonanza we already have ten year-round licenses of which six have never been claimed and we have twenty seasonal licenses of which fifteen are unclaimed so now we need more licenses when we have existing ones unclaimed.

I'm not in favor of alcohol in any form being sold here in the town but certainly it would have made more sense for the proponents to have switched some of the existing all alcohol licenses for some beer and wine licenses only. I attempted to get other figures, what the town gets for permits because in order to get one of these licenses you have to have a Common Victuallers license. I believe the Board of Selectmen..here it is: Board of Selectmen permits and licenses \$10,220.00; and Board of Health licenses, I'm not quite certain what those cover \$20,000.00 and Board of Health fees \$1,200.00 so when you hear that the Town of Rockport is going to prosper greatly with a few more alcohol licenses that can't possibly be the truth. It may be that private persons will prosper, that's another matter.

MODERATOR: Thank you from distilling those figures from all the facts and figures in town.

HERMAN LILJA: 6 Bayridge Lane – I don't know where to begin. In as much as there is a connection between several of the issues that have been brought before us this morning that is Economic Development, seasonal, tourist trade which in fact is very much a part of this town. The willingness of people to have alcoholic establishments in their midst the statements that in fact suggest that they'll be no further problems with alcohol in the future if we adopt this then there had been in the past then I think that is a negative. But the others there's a connection through all of it. The question in my mind is whether the economic development of the town is going to come before the fine restaurants with alcohol being served or pubs as they might just as well be called if in fact you're able to go and drink in those establishments. I grew up in this town. There is the feeling among a lot of people, that the people who support this are people who have only recently moved into town, I have a professional experience behind me that included a lot of consumption of alcohol over dinner or not over dinner for the purpose of business so I see the benefit associated with that and I'm here to say that I think that there are other people who grew up in this town who support this issue but I don't like to see the chipping away at the process I wish in fact it could all be laid out on the table all at once. This is one move to expand the consumption of alcohol I dare say there will be package stores at some point because of the ease of purchase. It would exist in fact to some form if we had a food store in town that sold wine and beer as I believe we have already voted to approve, that would happen. So I do see it as part of the future of Rockport despite its history. I don't think it's necessarily negative so I'm here to support it as somebody who grew up in town and has recently moved back and feel that the town does need this to try to stimulate the winter months of Rockport and to keep the money in town with regard to food establishments. Shalin Liu is a fine addition it does need to be supplemented with an open restaurant during the course of the winter so thank you. (applause)

TOM KERANS: 139 Main Street – I basically always, I just love the charm of Rockport and the fact that it didn't have alcohol. I've been kind of old fashioned in that regard. I am sympathetic to the economic concerns however but I mean I have a couple questions. I don't know why we're in negotiations when it hasn't been voted on yet. I don't understand that part but. How can you ensure that it's going to be a high quality place that has good food I'd be concerned that some of the food goes downhill rapidly and then it becomes a bar. My other concern is five years from now it's another two licenses a couple years later it's a couple licenses after that and it kind of gets ahead of itself so I'm sympathetic to the economic concerns by I would like to ensure that if something were to come in like that we could ensure the quality and the product.

SALLY CLARK: 10C Millbrook Park - I just wanted to speak about two things. One I admit that I'm against it because I'm a traditionalist. I grew up here with the story of Hannah Jumper I know and I also grew up with the story well look it's in New Hampshire where they have this and the town turned

into a rinky dink town which I don't want to happen here. On the other hand I also know I'm an old fogey so probably I would voted..it will go the other way but I wanted something clarified as I understand it and I am a little slow-witted we're not going to have bars because people can only drink where they serve food on the other hand it sounds like you can go into this place and drink without being served food and that sounds to me like a bar. That's all I have to say.

LAURIE MCKENNA: 31 High Street – I am not in support of this article and the reason is that I imagine, maybe this won't happen, but a place like Rockport House of Pizza because they're a restaurant serving food all the time could get a wine and beer license and that I consider Rockport House of Pizza sort of a community place where people, kids are comfortable walking in and out ordering something and leaving but now I think if they had a beer and wine license would I send my 14, 15 year old daughter down to pick up a couple pizzas if there could be people patrons sitting there drinking beer or wine, not eating, would I feel comfortable with that? I don't think so. So I don't see the way this is currently written what would prevent a situation like that happening or that places like Rockport House of Pizza places, Chinese food places, being able to just have people sitting around drinking. I'm uncomfortable with that.

ANDREA RITCHIE: 1 Harraden Ave. – I'm a little bit ambivalent about this issue but the one thing that strikes me we have a lot of licenses that are unused. Why do we need more? Seems like we'll have a combination of way too many alcohol serving establishments if all the licenses that are proposed are used. If somebody wanted to just serve beer and wine they could even if they have a full alcohol license, couldn't they? No?(background noise)

PETER BEACHAM: Part of the answer to your question is there are a number of places that would like to be able to just serve wine and beer they don't want to serve all alcoholic hard liquor, if you will, okay so under our current law they can't do that. They are forced to sell all kinds of, every kind of liquor – wine, beer, and hard liquor and they're forced to do that. There's some places around that don't want to do that, would just like to be able to serve wine and beer because it fits their cliental, it fits their atmosphere, it fits the place where they have their facilities. With regards to why we haven't used up all the licenses when we originally put this rule together I would be very candid and say that we were hoping we were going to have a lot more people apply but the reason that we don't is that none of the restaurants and I would tell you that I have personally spoken to probably fifteen or twenty different restaurant companies including the guys that own Latitudes in Rockport..in Gloucester and a lot of other places and a number of other restaurant groups. They wouldn't come here because of the law that you have to have a meal and that's what we have to recognize. That's a problem and so what we're trying to do is say let's eliminate that make sure that it's only served in a restaurant facility it can be a bar set up in a restaurant facility. There's one at the Emerson Inn for example. There's a couple of others around town. What we're trying to do is to get into a position that we can attract some of those restaurant people to come here and to provide a facility that we can all go, sit and relax and have a comfortable time in, which at the present time we can't do because they close. I can't tell you how many hundreds of people, the Shalin Liu Performance Center sends out of town seven months of the year because they can't eat here in town. They can't eat here in town because restaurants won't stay open because they only have a seasonal license or because they don't have the right facilities or they don't change their food. There's all kinds of different reasons for that so we're trying to fix it and so we're taking a step. It's probably not the last step but we have to move forward in order to do this and I want to do it by, I'm trying to do it by design, if you will so that we can manage it we can control it selectmen have control over who gets a license and who doesn't and what they're going to do and how they follow the rules so I hope I've answered your questions. Thank you.

MODERATOR: Just a reminder if you are in the back there you're right on the border of the visitor section. If you are a visitor of course you can't speak and sit there and if you are a resident and are voting, don't sit there.

LAURA HALLOWELL: 37 High Street – Just a couple questions. I'm getting confused on if a restaurant currently has a liquor license and they want to, do they have to switch it to this kind. I'm a little bit confused about the old licenses and the new licenses and how they overlap so if somebody could just clarify that.

PETER BEACHAM: I'm not positive I understand the question. Current restaurants do not have to change their licenses. Was that one of your questions?

LAURA HALLOWELL: So would they be able to serve liquor without food – would they have to be a restaurant.

PETER BEACHAM: If this gets approved in all the three places that it has to go to including a full vote by the town then yes they could. Again my major point is, to try to make this town more complete for the people who live here. I go out of town to eat with my wife two or three times a week and every place I go I see other Rockport people. That money should stay here. We should help ourselves. We need to demand good quality, high quality food, great stuff, great atmosphere.

BILL LEE: 25 Pleasant Street – I own a small business here in Rockport. One of my biggest concerns is parking for my customers but also once a week I go to Cruiseport with my wife because we enjoy

having a meal and sometimes I'm there before her and I have a drink waiting and we have been in there where we looked at the specials for the day and decided we're not going to eat. We get up and leave that restaurant and I think I should have that opportunity here in Rockport that I can go down there and she can be waiting for me to come back in and look at the menu and when I walk through the door as she finishes her glass of wine say no I don't like the meals today there's nothing that interests me or let's move to another restaurant. That opportunity right now this is where we should be spending our money every week but we should also have the opportunity to go in there and make that decision you can't stand outside the door and say what's the meal of the day. So that's what I'm looking for the opportunity to sit down and have a drink and if I don't want the meal I can get up and leave. (applause)

MAUREEN MCCARTHY: 62 Marmion Way – I also own a rental property on Breakwater Ave so I have a lot vested in this town. So when I bought my home on Marmion Way there was a full size bar with a keg in my basement, red carpet and all. I now understand why that bar existed. We ripped it out. And I bought the home from Martin Ahearn who had lived there for 50 years so it was clear to me that there was some strange practice in this town (laughter) that warranted people to do these things, right. I love living in Rockport but I have no compelling reason to go downtown except the Shalin Liu and the yacht club and once in a while LuLu's. My husband Frank and I, we enjoy going out to eat and drink at a bar. We go out to socialize with other people and sitting at a bar permits us. We love to go to the Franklin, Cruiseport, Halibut Point for example. We usually see a number of Rockport friends at these places. It is a fact that Rockport residents go to restaurants with bars and the restaurant owners in Rockport lose this revenue. Furthermore, if safety is a concern it would be great to be able to walk to a bar but this is impossible in Rockport as we need to walk to Gloucester. Ireland has very strict driving drinking laws and local bars that you can walk to from improve the safety of our roads. So anyway I love living here and hopefully this will pass. For the people that are concerned about your children and those other kinds of things I have complete faith that the select people will be sure that these are very, very restrictive with the hours and those kinds of things. I have a lot of respect for that and I would not support something that was promoting bars being open until 11 or midnight. Thank you for your time. (applause)

MIKE CAFFI: 10 Allen Avenue – This is more of a question. I've been to the Shalin Liu on multiple occasions and in the intermission we hoof up the three flights and you can go up and buy a glass of wine or bottle of beer and come back down twenty minutes later. There's no food unless the little cookie stand around the corner constitutes a meal but I don't understand how that works vs anything else.

SARAH WILKINSON: I can answer that. They have – that question actually gets asked of us a lot. They have a function hall license similar to there are a few other restaurants in town that have those for when they have weddings and other functions so that the meal doesn't have to be served with the alcohol but it's only if you have a function license.

JOSEPH STIGLIANO: 7 Gale Avenue – As an adult of 75 years I would greatly enjoy, after a concert or a gallery showing or just to meet some friends, to be able to sit down and have a drink. I think we're adults, we're responsible and the present restrictions seem to be concerned with whether we can behave or not. I think we can. (applause)

MODERATOR: Mr. Seppala has been waiting patiently.

ZENAS SEPPALA: Yes, Z. Seppala, 92 Granite Street – In our parallel universe Lieutenant Commander Benjamin Finney, Records Officer, Federation Starship Enterprise. Mr. Moderator, sandwiched as we are between Good Friday and Easter and as Jesus taught in simile are somewhat like to do the same for a few minutes. Since it is nice to know at least one person in the audience knows what you're talking about can I ask you to request for a show of hands as to how many people saw ME TV's episode of Star Trek yesterday afternoon. (Moderator: Well, I won't do that but don't forget Passover too). Alright, Passover too (applause) Alright I'll have to proceed just on the basis of what I think you might remember. It'll be short. Star Trek episode Court-martial opened Captain's log star date 2947.3 we've been through a severe ion storm one crew man is dead, the ship's damage is considerable. I have ordered a non-scheduled layover on Starbase 11 for repairs. A full report of damages was made to the Commanding Officer of Starbase 11 Commodore Stone. Now the gist of the story was whether or not Captain Kirk was guilty of negligence in causing a crew members death by ejecting him in the ion pod into the ion storm. Under a battle condition of yellow alert, he was, but under a condition of red alert he wasn't. Kirk maintained the condition was red, computer logs and video replay said yellow. Kirk was exonerated when it was found the records officer, the deceased crew member, had access to the Enterprise computers and faked his own death as a result of a long held grudge against Kirk. So I hope you all remember that one or see it if you haven't.

Fellow citizens I am 99% sure relaxing alcohol rules will not benefit Rockport. Our town prospered for years by being unique, a tourist destination because it was unique and different from every place else but I'm also 100% sure this question belongs on a ballot. Just like the yellow alert ten years ago when alcohol regulations were jettisoned from Rockport we are now in a condition of a red alert and depending on your ultimate votes likely to be jettisoning some businesses as well as promoting others. Last year town voters approved a ballot for fluoride removal from town water. At town meeting

virtually every town official voted to deny voters a say. When that effort failed a town official motioned to reconsider. Most town officials still maintained a vote to deny town voters. Although two reconsidered their own vote. Apparently for none other reason than the sleazy manner which one member of the audience regarded the reconsideration. The Board of Health had previously offered they didn't think there was a compelling reason to remove fluoride supplementation but I never heard a compelling reason to keep it. By having this issue and those issues and other issues on ballots town voters make the tough decisions. I am pleased to hear the Economic Development team refer to the 1974 MIT Planning for the Future of Rockport. Three years ago I used that as the best nonpartisan reference I could find for my recommendation to purchase the Tool Company. That idea of course was never subject to even a nonbinding referendum (yelling from the audience) to gauge town-wide opinion, (yelling from the back continued) let alone a ballot as selectmen decided they knew best about land use.

MODERATOR: Thank you Mr. Seppala, I think we've heard enough at this point. I'm going to beam you back to your seat now. Thank you.

ZENAS SEPPALA: I shall as I have before (Moderator: Thank you) finish with my last paragraph in the Gloucester Daily Times.

MODERATOR: Thank you Mr. Seppala.

STEVEN INCROPERA: 46 Broadway – I don't drink a lot. Have a martini once in a while. I think it might benefit the town but I would be curious if Lana is still here, how this ties into the Economic Development Committee and any findings that they might have.

MODERATOR: We're going to get a few more comments and I'll let her gather her thoughts now we'll go to this side of the room. Who has not spoken at all yet today? Yes sir, with the nice jacket. Wait for a microphone.

MARCOS PITTORE: 8 Main Street – The reason I want to address you all today is because of ten years ago for number one. Ten years ago I came to town meeting and we had.. was quite disturbed about adding alcohol to this town and at the time we were told we would..there would never be any increase in the alcohol laws, no more would be allowed and that we would not go down that slippery slope – (shouts) wwoooo – I'm going. Is this not the slippery slope? Is this not what we were told that we were not going to do? Is this not what we were told? We were going to avoid. No, today we're here talking about perhaps the addition of bars. Sure it's a restaurant, that you have to go to a restaurant that has a food license but you can go there and sit and drink. Now I've heard also but there haven't been any problems in ten years. That's speculative. We don't know that. Someone mentioned, I think it was Toby, that you know, there have been complaints that we haven't heard about. Why haven't there been any complaints? Because we have a lot of rules in place! We have a lot of rules in place restricting the alcohol. When you restrict it like this that's good maybe that's why there haven't been any problems but take them away and the slope becomes slipperier.

Another thing I want to address is, you know, the economic..committee. I don't know where they get these ideas from that adding alcohol is going to make all these restaurants so successful. My father was in the business for 38 years, half that time he had no alcohol license the other half he did. It made no difference. He struggled along until he died. He told me the one thing I don't want you to ever do is be in this business. It's a bad business. You don't make money at it unless you have, you know, people like maybe those guys in Gloucester, oh and by the way if the guys in Gloucester come here and we sell them, and they sell alcohol is not the profit going out of here? Do those guys all live here? I'm not sure on that. The other thing is we want to attract children and families. I don't think children and families, people wanting to move into Rockport are going to want to come here because we have bars. I don't think that makes it more attractive. It really doesn't and I see people kind of laughing at me a little bit, well that's good – laugh, but mark my words – it doesn't do any good. It really doesn't so that's what I say as you can tell I am not for this. The primary reason is 'cause we were told we would not be in this position. I do believe that it should go to a vote of the town on the ballot not here and so I rest my case. Thank you very much.

MODERATOR: We'll hear from Lana Razdan but in fact we can't get to the ballot without being here.

LANA RAZDAN: Well one thing I am is a stickler for procedure and doing things properly and openly. I have to admit that we have not had a vote on this or a big discussion in the Economic Development Committee. The reason why is not that we would support it or not support it because to us I think it's part of a much larger plan. What we're doing in the economic development is so broad and has so many moving parts that one of the things that we would probably have looked at is part of the multi-year action plan that we would like to put together is whether this is something that could help us to better promote the town or to do business in the town so we really don't have a standard on it as a committee. What I can tell you is that I would say just as a private person that anything that helps our local businesses to do better business raises all votes. I understand we want to keep the quality of the town I understand that if we're trying to attract families we want to have a certain atmosphere but at the same time people, even people who do have families like to go out and have a

drink every now and then (applause) so once again I want to be very clear this is a private citizen's petition we have not really considered the pros and cons and looked at different statistics so I speak as a private citizen but it certainly is something that we would like to look at in context as a whole lot of other things that can help our businesses to do better because that helps the town, not just a certain segment, it's not just private industry benefiting. It's anybody who does good business here will stay here and contribute to our tax base and help the quality of life for everybody here. (applause)

MODERATOR: Okay, we have one of our microphone holders had her hands up and so give yourself the microphone and you can speak. Please introduce yourself.

JANE QUIRK: 11 Haddow Road - I would like to address the factor of the essence of Rockport being a alcohol free or very small amount of alcohol town and I understand it's a safe town like that's where your go-to place like I understand, kids and family like it's very, the essence of Rockport being, having less alcohol is very attractive to families and safety for like anyone else but you have to understand that like this is still going through some sort of judicial law enforced, I'm not sure, a diagram I want to say so people will be ID'd, people will have restrictions during in the work area and no children I'm sure there won't be alcohol on display, I'm sure there will be very strict rules so going in House of Pizza I can guarantee you will not see a bottle of alcohol on the walls nor any of the employees drinking. It's still safe to send your kid there to get a pizza and I understand your concern, don't get me wrong but we're not stupid we understand like we understand the risk of this and we understand the benefits and the cons of all this and I think that the benefits overweigh the cons in a way that makes it still Rockport still safe and ten years ago was ten years ago buddy sorry you gotta get over that (laughter) This is the 21<sup>st</sup> century people are going to keep improving and well improving or improving not, that's your opinion. Hey, like welcome to our world this is like more and more new ideas and people and progress will be being made and sorry if you do not like that sorry if your promise and you held onto that promise for ten years but this is new, this is what's happening and if you do not like it I suggest you leave Rockport and go live Wisconsin.

MODERATOR: Alright anybody else who has not spoken at all today – not spoken at all.

CYNTHIA MALLETTE: 133R Granite Street, Pigeon Cove, Massachusetts – That is a section of Rockport (laughter) However, I wonder why we have or we're going to be voting on putting thirty-six licenses in the Town of Rockport. Why, why is it necessary to have ten full-time, twenty part-time and three and two, is it on beer and wine? Why didn't the petitioner go back to the retooling of the number of licenses and why don't we just adhere to the number of licenses that the state of Massachusetts would have given us under the population? It's my understanding that you get "x" amount and then for every one thousand or every one thou..oh I don't know. The population only increases or you get one license, somebody if somebody..(Moderator: We understand) Ya, I'd just like to know why we don't adhere to the Massachusetts population criteria for our licenses and just for the information I did go to these, all these meetings that we had at the police station ten years ago and it was brought up-beer and wine and they asked for, people wanted beer and wine. However the innkeepers and the other people wanted full alcohol licenses and that's what they wanted. Now we want to go down again and get five more licenses for the beer and wine that could have been part of that taskforce when they set it up so I hope I have expressed myself to the point of frustration as to why we're going to have thirty-six licenses when we could have a lot less and do it according to the state of Massachusetts.

MODERATOR: I'm still going to hear from anybody who has not spoken and don't worry we'll devote more time to this but if you haven't spoken at all today, have not spoken at all today. Ah Ian you have not spoken at all today. Nice tie by the way.

IAN CROWN: 67 Eden Road – I'm not here in the capacity of the Finance Committee. I'm here as a taxpayer. The problem with the number of licenses doesn't really come up because people have to actually ask for them and then use them and if we have too many at some point maybe the number will be reduced. Ten years ago the plan was to try to change the town a little bit so that people could finally have an alcoholic beverage with their meal and now what we're trying to do is step ever so slightly closer to ninety-five percent of the state. We're not trying to legalize alcohol we're really just trying to change the access and we're also trying to address something that goes back to 1856. Back in that time frame we actually had fish. We don't have a big fish harvest anymore. Rockport basically has lobsters and shellfish so things have changed and in a direction that leads me to say that what the town needs is a more adult aspect to it we have about 5,500 registered voters in Rockport. We only have about 7,000 people so roughly seventy percent of this town is old enough to register to vote so this is an attempt at making the town a more adult town, adding four or five months of the year to the calendar for the people who are residents so that we have a town that we can use with or without Shalin Lui with or without going to an art show just to be able to go in town and park your money in the town. Another item that we're supposed to look at today is Article O and this addition of possibly more restaurants and possibly the addition of more alcohol sales as part of a meal immediately turns into revenue for the town if O is voted for favorably today. That's a .75% tax that would be added to all of the increase in the number of meals, the number of drinks because this is part of the meal tax. Gloucester does it, Essex, Ipswich most of the state has the .75% option in place now and that money comes back to the town and if we've seen anything here today at all we're tight we're starting to have problems hiring another person for the DPW or an assistant for Linda or you name it the town needs

more revenues and I'm not saying that that fully justifies the addition of alcohol but it is a way to monetize the tourists who come here. Other than hiring a fleet of pickpockets the only way to really turn tourists into a way to reduce our property taxes is to figure out a way to connect their presence with revenue. That's it. (applause)

MODERATOR: Anybody who hasn't spoken today who has a restaurant that wants to talk?

MARK CURLEY: 8 Old Penzance Road – I agree with Mr. Crown and all the other people here today and I've heard a lot of people worried about the fright and what's going to happen are we going to have the bars that they have in Chicago or other areas and we went through this ten years ago and it's worked out very nicely with what we have but I'm like a lot of other people here similarly situated my wife and I we like to go out to eat periodically we go down to Gloucester. There's not much happening here in Rockport and I think it would be very appropriate to open this up a little bit. Mr. Crown made it very nicely, just a little area we want to open it up so we have some facilities some restaurants facilities here we can go in have a glass of wine or beer or you can have a meal if you want and if you don't like the menu like this gentlemen said earlier you'll go somewhere else I think it's a worthwhile adventure and what this this Article O is another opportunity if we pass, if this goes through at this level and it goes through the other two levels we have to get for the approval with O there'd be if you vote for that it would authorize a stream of income to come back to the town and I do think that town will, will benefit financially from this, financially because you might get some income from the alcohol and I think you'll attract more people to town to live here. You may have more restaurants (inaudible) and ability to open up here we heard a gentlemen about other restaurants on Cape Ann and they don't want to open up in Rockport because of the restriction that you nobody will go in there just for a drink so I think this is a worthwhile adventure and I'm for it very much. Thank you.

MODERATOR: Our town clerk has reminded me that we've been talking about this for sixty minutes. Now we'll open it up for people who have spoken before but we're not going to talk about this forever. One more round as they say.

ERIC HUTCHINS: 45 Pooles Lane – I certainly support this going to ballot in general but there are two pieces of this here and I have a serious question on the second piece and it's dealing with the measured impacts of our changes in the town. There are a lot of concerns from everybody and there should be as this moves forward. We should all be questioning it but the serious question that I have is why are we including new permits to add to the previous number when we as a town never came close to feeling the measured impact since they were never issued so this is almost a double whammy and I'd like, there was no description of the rationale for adding new permits vs just modifying a couple of the others so there's a two-piece here. I don't have a problem with changing what can be done but we never felt the measured impact because they never got all issued now we're adding new permits that's my reservation on this we never came close to feeling the impact I'm okay with this change the other half of it but could I request some justification you know, why we are going to add new permits versus just modifying the ones that aren't being used now. Thank you.

MODERATOR: I've actually asked town counsel on that he's giving it a great deal of research and we will hear from one of our selectpersons briefly on that issue.

DARREN KLEIN: The licenses that were approved in the 2004 special act were all alcohol license those are different types of licenses then what you're being asked to approve today. The licenses today are just wine and malt liquor, which is beer essentially, which is beer. (Audience noise)

MODERATOR: Anything from the selectmen to help explain that? (rumblings) Please don't interrupt. Anything from the selectmen on that issue to explain this?

SARAH WILKINSON: They're different kinds of licenses. For example if someone now comes for a license they have to serve all alcohol so they can serve beer and wine but then they have to serve, because of the type of license they have, they're forced to have some kind of hard alcohol and I don't want to speak for the petitioners but from what I've heard there have been requests from people who have current restaurants and from people who are interested in opening restaurants here that they're interested in just serving beer and wine only and don't want to be tied to serve more alcohol than that.

MODERATOR: And now we'll hear from the petitioner and we'll get to your questions.

PETER BEACHUM: When we did this ten years ago there was not a cry to have just beer and wine licenses. Society has changed a bit. People are drinking a lot more wine today than they used to drink that kind of thing so ten years ago perhaps incorrectly we didn't think about just beer and wine licenses as separate from all alcohol so all the licenses that have been approved here before the twenty and ten are all alcohol. All we're doing, we can't change that okay so all we're doing is saying let's have some where you can have just beer and wine because there are restaurants that want to do just that. Does that answer your question? (shouts of no) Why not? (a lot of audience noise).

MODERATOR: I think that the answer that town counsel has given me is that we're talking apples and oranges. In other words there could have been a petition – please, please – there could have been

a petition to reduce the number of licenses that are all alcohol and substitute licenses but that's not the petition before you today. The selectmen have the discretion to self-limit the number of licenses which they can do so and of course the ABC has the ultimate authority in that regard so I understand the questions and the whys but that is not what is before us today. What is before us is a couple, three, five whatever it is of a new version of license. The wisdom of why not limit the licenses to ten and twenty total will have to be determined at a different forum. Make sense?

ERICA SMYTHE: 8 Main Street – A meal is often mentioned with the purchase of alcohol. Would you please define what Rockport defines as a meal currently?

SARAH WILKINSON: We'll have to look it up if you could just give us a minute.

MODERATOR: Yes, that's part of the old regulation but we'll try to get that information for you. Ian do you have that answer?

IAN CROWN: The concern you have is actually pretty accurate. The original concern was that somebody would say well if I have a bag of potato chips that's a meal so the town's bylaws and everything else that followed very clearly distinguished between a snack and a meal. So a meal had to be a little bit more substantial so you know going back to this question of how many licenses and so forth Pete has been talking to restaurant owners, future potential restaurant owners, people who like Serenitee have a lot of restaurants and not everyone wants to be forced to serve hard alcohol. So the way the law is set up now because of what they didn't appreciate a decade ago this was an accommodation to make it possible for you to be able to buy a beer in a pizza place if that's the decision they make to get that license and not be stuck having to serve hard alcohol which the state combines unless you separate it. It's not that we need more licenses, in a year or two, if we vote for this it may turn out that we have way too many and we can certainly at a separate time address that and roll the numbers back. Right now it's just accommodation to enable people to come in and buy the license if they want but otherwise the wine and beer thing is not like we're trying to say we need fifty bars it's more about being able to say you know if you want to have a business where you're not stuck serving something stronger this is an accommodation for that.

MODERATOR: Okay we have a definition of a meal. Right over there.

SARAH WILKINSON: You're making it hard not to laugh today. So I'm just going to read this from our current alcohol regulations. It says – No patron shall be served an alcoholic beverage until such time as the patron is seated for a meal. The board reserves the right to approve the menu and further define what constitutes a meal consistent with these policies, rules and regulations. In particular that the service of alcoholic beverages shall be adjunct to the primary purpose of service of food. The term meal shall include hors d'oeuvres, appetizers, desserts, sandwiches, soups, salads, entrees and prepared foods but shall exclude chips, nuts, pretzels, popcorn, and other snack-like foods (laughter). I can't believe we actually wrote this – hold on, I'm not done – I'm not done, it gets better. Menus shall reflect the requirement that alcoholic beverages may be ordered in conjunction with the consumption of a meal.

MODERATOR: Must have been written by a darn lawyer (laughter). Okay other questions?

FRANCES FLEMING: 12 Pleasant St. - Mr. Moderator I'm hearing a lot of repetition now, there's so much repetition now that we're hearing and every time people speak we hear a lot of applause or very little there's strong feeling in this room and all we're voting for is whether to put it on a ballot so the whole town may vote. I would like to move the question please. (applause)

MODERATOR: Thank you Frances, it's great to hear from you. (laughter) Okay so now what we are going to vote on is whether we move the question; which means end debate and we are not going to discuss that we have a valid motion. It takes two-thirds to move the question. So does everybody understand what we're voting on. We're not voting on the merit we just voting on whether we vote. Got it? Okay.

All those in favor raise your placard. Thank you. All those opposed the same sign. Okay.

The motion carries.

MODERATOR: So now the question has been moved. Is there anybody who does not understand the question and we can talk more about what the question means. Well, we can talk about what it means, what it means is if this passes then the selectmen will be authorized to take this to the legislature which they will do and then the legislature will approve the question in substantially the form that is before you and if the legislature says it's fine for us to vote on it then it comes back and we vote on it at some appropriate time and it is either voted yes or voted no. (audience noise)  
It will come back to the ballot and we have these new things call tabulators (laughter) and we'll know in an instant. Is there any other question on what the vote means?

TOBY ARSENIAN: Remember that we subtracted after patrons of restaurants, we subtracted or other licensed food and beverage facilities. That may prove to be significant.

MODERATOR: Okay – all those in favor raise their placard. Thank you. Opposed the same sign.

That motion carries.

The Moderator will step back and Town Clerk Patricia Brown will moderate.

PATRICIA BROWN: I will now recognize a motion under Article H.

ARTICLE H (12): To see if the Town will vote to raise and appropriate or appropriate by transfer from Free Cash the sum of \$75,000 to pay for state mandated real and personal property revaluations; or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR PAUL MURPHY: Ms. Town Clerk – Selectman Murphy moves that the town appropriate and transfer from free cash the sum of \$75,000 to a Property Valuations Fund for the purposes of Article H as printed in the warrant on page 61 of the Town Meeting Voters Booklet.

Moved and seconded.

PATRICIA BROWN, ACTING MODERATOR: Do I have any comments? Any questions? All those in favor of Article H please raise your placards. All those opposed the same sign.

The motion carries.

We will now go on to Article I.

ARTICLE I. (13): To see if the Town will vote to raise and appropriate or appropriate by transfer from Free Cash a sum of money to the General Stabilization fund to pay for future expenditures; or act on anything relative thereto. (*Board of Selectmen*) (*requires 2/3 vote*)

NO MOTION

There is no motion under Article I we will go on to Article K.

ARTICLE K (14): To see if the Town will vote to raise and appropriate or appropriate by transfer from Free Cash a sum money to the Other Post Employment Benefits (OPEB) Trust Fund created under Article N of the April 3, 2010 Annual Town Meeting to cover future benefit obligations to retired employees; or act on anything relative thereto. (*Board of Selectmen*)

NO MOTION

There is no motion under Article K so we will go on to Article B. Article B has been linked with Articles C, D and E. So after Article B it will follow C, D and E.

May I please hear a motion under Article B.

ARTICLE B (15): To see if the Town will vote to raise and appropriate or appropriate and transfer from Free Cash the sum of \$4,000 or any other sum, for Action, Inc.; or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR ROGER LESCH: I move that the town raise and appropriate the sum of \$4,000 to be expended under the direction of the Board of Selectmen to fund a grant to Action, Inc., 180 Main Street, Gloucester, MA.

Moved and seconded.

PATRICIA BROWN, ACTING MODERATOR: Do we have any comments in the audience? Any questions? All those in favor of Article B please say yes. All those against no.

Article B is approved.

Now we go on to Article C.

ARTICLE C (16): To see if the Town will vote to raise and appropriate or appropriate and transfer from Free Cash the sum of \$3,000 or any other sum, for Healing Abuse Working for Change (HAWC); or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR PAUL MURPHY: I move that the town raise and appropriate the sum of \$3,000 to be expended under the direction of the Board of Selectmen to fund a grant to HAWC, 27 Congress Street, Salem, MA.



Moved and seconded

PATRICIA BROWN, ACTING MODERATOR: Article C has been moved and seconded, any comments? All those in favor say aye. All those opposed nay.

Article C is approved.

We go on to Article D.

ARTICLE D (17): To see if the Town will vote to raise and appropriate or appropriate and transfer from Free Cash the sum of \$3,100 or any other sum, for SeniorCare, Inc.; or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR SELECTPERSON ELIZA LUCAS: I move that the town raise and appropriate the sum of \$3,100 to be expended under the direction of the Board of Selectmen to fund a grant to SeniorCare, Inc., 5 Blackburn Center, Gloucester, MA.

Moved and seconded.

PATRICIA BROWN: Article D has been moved and seconded. Any comments? Questions? All those in favor say aye. All those opposed nay.

Article D carries.

We now go on to Article E.

ARTICLE E (18): To see if the Town will vote to raise and appropriate or appropriate and transfer from Free Cash the sum of \$3,000 or any other sum, for The Open Door; or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR ELIZA LUCAS: I move that the town raise and appropriate the sum of \$3,000 to be expended under the direction of the Board of Selectmen to fund a grant to The Open Door, 28 Emerson Avenue, Gloucester, MA.

Moved and seconded.

PATRICIA BROWN: Article E has been moved and seconded. Any comments? Questions? All those in favor say aye. Opposed say nay.

Article E carries.

Following E we will be hearing Articles R and S. Because the Moderator has a conflict I will be moderating R and S. I will entertain a motion under Article R.

ARTICLE R (19): To see if the Town will vote to transfer the property described below from the board or officer with custody of the property for tax title purposes to the Board of Selectmen for general municipal purposes and for the purpose of conveyance, and to authorize the Board of Selectmen to grant, on behalf of the Town, a permanent non-exclusive access easement on the Town property shown on Assessors Map 32 as Lot 4, which property abuts Penzance Road and Old Penzance Road, for the benefit of the parcel of land shown on Assessors Map 32 as Lot 5A which has an address of 3 Old Penzance Road and as shown on a plan by Boston Survey, Inc. entitled "Certified Plot Plan located at 3 Old Penzance Road, Rockport, MA, dated January 23, 2015 and is on file with the Town Clerk, on such terms and conditions as the Selectmen deem appropriate; or act on anything relative thereto. (*Department of Public Works*) (*requires 2/3 vote*)

LINDA SANDERS FOR SARAH WILKINSON: I move that the Town vote to transfer the property described on page 68 under Article R in the April 4, 2015 Town Meeting Voters Booklet from the board or officer with custody of the property for tax title purposes to the Board of Selectmen for general municipal purposes and for the purpose of conveyance, and to authorize the Board of Selectmen to grant, on behalf of the town a permanent non-exclusive access easement on the town property shown on assessors map 32 as lot 4, which property abuts Penzance Road and Old Penzance Road, for the benefit of the parcel of land shown on assessors map 32 as lot 5A which has an address of 3 Old Penzance Road and as shown on a plan by Boston Survey, Inc. entitled "Certified Plot Plan located at 3 Old Penzance Road, Rockport, MA, dated January 23, 2015 and is on file with the Town Clerk, on such terms and conditions as the Selectmen deem appropriate.

Moved and seconded.

PATRICIA BROWN, ACTING MODERATOR: Article R has been moved and seconded. Any comments?

TED TARR: Thank you Madame Town Clerk. I'm not necessarily opposed to this. I would like a further

explanation. As I understand from the thing here there has been some building on town land by this property owner and it would look like if we were going to transfer land we should transfer the land not just give 'em an access to his shed so could somebody explain further why this is an access and not a transfer of property.

PATRICIA BROWN: Oh Bob Visnick, he'll be happy to explain that to you.

BOB VISNICK: Robert Visnick, 40 Jerden's Lane and occasionally I practice law and this happens to be, one of my clients owns this property it is in an estate and if you look at the records at the Building Department, at the Board of Health when they got their septic system, many of the plans show that the shed and the house and everything else are firmly on the land of the homeowner and there's no encroachment at all but this is a Matt Hautala plan from 1941 that all these other plans were built on and Mr. Hautala had some inaccuracies in some of his plans. A more modern survey done last year showed that in fact much of the backyard and a little corner of the living room and bathroom encroach on town land and what I have been told by counsel for the town is that that language is appropriate, nobody really wants to have access to the living room and bathroom of these homeowners but that this would be a way to clean up this inaccuracy and help assist in the orderly transfer of title and so the only easement area is actually the property itself if you look closely at that plan.

TOBY ARSENIAN: Alas the poor property owners and alas Matt Hautala, you don't want to hold them hostage but if you or I were granting easements on your property or mine to one of the neighbors who was in such an unfortunate situation as this homeowner you'd expect some consideration. Easements on property are worth something. Unless you were, of course, granting to your dearest friend's cousin's much loved neighbors. I've asked before about easements whether the Board of Selectmen have a policy on what if anything the town would get for out of easements and I've yet to get an answer. I'll ask again. Does the Board of Selectmen have a policy on easements whether or not we should ask for something? It might be appropriate to ask for something. I don't know how much but I'd like my question answered.

SARAH WILKINSON: Sure, Toby I believe we've answered this before but I'm happy to answer it again. The Board of Selectmen does not currently have a policy. In our opinion every easement in every situation is different. If we ever were in a situation where we felt consideration was appropriate we would, of course, ask for it but these types of situation that are basically fixing very, very, old mistakes we don't feel that consideration is appropriate.

CHARLES PETERMAN: (asked to go up front for the microphone) I'm afraid the walk is going to be longer than the question. I'd just like to know whether or not this easement interferes with any of the public access to the shoreline. That's all.

BOB VISNICK: First to address Toby's concern on consideration. I don't how many of these he's done but I've done about eight or nine of them with Matt Hautala inaccuracies where neighbors have just granted easements one to the other for no consideration. You're looking at such a small piece of land that it really does not warrant a transfer of money to do so. I talked to the Town Clerk's office and counsel, the mechanism to come up with a value of something like this would cost the town more than the actual consideration might in fact be. In terms of whether this limits public access this is part of, I guess, an estuary that one might say marshland that is part of the bigger Loblolly Cove region but this area is close to Penzance Road and when you look at what appears to be their yard it doesn't inhibit any public access and of course the language says access but it's really just granting the land under their living room, bathroom and the chimney and that's it.

ANN PATRICE HICKEY: So this is tax title land, correct? On the other side? (Moderator: No, it's town-owned land) So the town owns the land, how does this restrict, does this restrict in any way the town's ability to sell that land in the future? (Moderator: That's a question for the Board of Selectmen) So now we have a piece of land that has a little divot in it and I assume also a little divot, you have to have ten feet around that right?

DARREN KLEIN through the Moderator: I'm not sure I can answer your second question at least yet because I'm not sure I totally understand it but the first question the land is currently held for tax title purposes which is why part of the motion before town meeting is to transfer that to the Board of Selectmen for general municipal purposes and for the purposes of conveyance by doing that they can then grant the easement.

ANN PATRICE HICKEY: My question was more to the future so in fifteen years when the town needs the money, which it will, and they want to sell that land which I understand is under water but things change how is it going to effect the town's ability to sell the property that we're giving the easement on? That's my question.

DARREN KLEIN: Again, I think currently the piece of property that we're giving the easement to currently has part of the house on it so it's not going to effect it but they will have the ability to sell the remaining land and that's one of the things that's being done, again in this article is to change it from being held solely for tax title purposes to being held for general municipal purposes and for the purposes of conveyance which at least gives the selectmen the authority to sell the land if that's what they decide to do.

JUNE MICHAELS: The Finance Committee also takes it very seriously when there's an encroachment on town land and we look at easements and grants of rights of way and other things that come up at town meeting and after looking at this we accepted that it was for the purpose of correcting an error in the survey. That there had been no intentional encroachment onto the town land and we also understood that the shed was going to come down so the only piece that we're granting an easement to is what's covered by the back end of the house so it's a very tiny, it's like 290 square feet piece of land that actually has the homeowner's house on it so it's not a great loss to the town so the Finance Committee lost interest in it. Thank you.

PAT BROWN ACTING MODERATOR: Anyone else, questions or comments? Someone who hasn't spoken before. Toby, make it short.

TOBY ARSENIAN: No we don't want to hold them to ransom but according to what Darren Klein just said if we go forward with this we're giving the Board of Selectmen permission - conveyance that's the word, to sell the whole property. That's not what they're intending but that's what we're doing so I was unaware that it was tax title property and I think the Board of Selectmen, since they're in session, as we're in session here meeting, should take a vote and say that they intend to grant only the easement and have no intention of selling the property and I found Sarah Wilkinson's explanation of the Board's policy or lack of it altogether unsatisfactory. These things shouldn't proceed piecemeal case by case. There should be an established policy of what is acceptable and what is not and how much the town should get.

RICK KASTEN: 31 High Street – My concern is that according to the Article it says that you're granting an easement based on this drawing right here. That Article there does not identify in any way what the actual easement is even though it's somewhat obvious but it also shows the shed which we're told is going to come down but if you take that drawing you're granting an easement for what's there. I think there should be something in here that says like easement for the portion of the structure that's attached to the main house, or something like that, it just doesn't seem clear about what the actual easement is for or what is written here.

DARREN KLEIN: This Article doesn't grant an easement it authorizes the Board of Selectmen to grant an easement – okay. (R. Kasten: And then they'll, they would base that, they would base that on some legal documentation of what that actual easement is for? Okay, thank you)

BOB VISNICK: In terms of this easement there is a document that is drafted that is the actual easement document and it is in the town's custody and you probably can't see it on that but what was described on the easement document was a little cross-hatched area which is only the house itself and that little portion of the house that encroaches and nothing else so that is what the ultimate easement is going to look like as far as my understanding. In terms of a policy I've been around practicing law in this area for quite a while and under Mike Racicot there was a different policy which was no to grant easements at all and I had a situation where a house had been standing on Bearskin Neck for two or three hundred years and the most recent survey showed that about ten square feet of it was actually on Bearskin Neck and the town refused to grant an easement and granted instead a revocable license that had a payment of \$100 a year or something. Well, the person that owned that house was unable to sell it, lost that sale, which was several hundred thousand dollars and when it ultimately was sold in the future it was sold for about \$150,000 less because it had this little title impediment and so as we move forward from counting votes by hand to using tabulators and having more accurate surveys we find that areas that nobody either cared about or they were looking at a rock that's moved or something like that we see these little inaccuracies all over the place and normally a good neighbor says ya, I'll cover you, you know what comes around, goes around I'll authorize you to have an easement to get to your half of a bathtub or something and that's the nature of these. This regime under Linda Sanders has been a little bit more understanding. Last year the Ramsden wanted an easement to have a sewer line go across town land to access their property, that was granted and before that the Feldman's where their office building is and we'll talk about this in a moment, Blue Gate Garden kind of goes in a sinuous way down towards the town transfer station and so everybody thought they had driveway right on Blue Gate Lane but they didn't and the town granted an easement for no consideration because ultimately it saves the town having to go through all the ramifications of coming up with the price and putting it out to bid or whatever happens so I think there seems to be a defacto policy the board has told you and the Finance Committee that when these things have significant value they proceed otherwise but I would argue that this and the next one to follow is more in the area of being a good neighbor in allowing these things to clear up the title.

SARAH WILKINSON: I just want to kind of add to what Bob said but also answer Toby's question. Toby I guess we'll have to agree to disagree on this one because as Bob said things happen, neighbors to neighbors and I think the Board of Selectmen, the Town likes to try to be a good neighbor and we all live here, we all pay taxes here, we all deal with each other and things come up, things happen sure we could have a policy for everything and someone would have to, you know, go in front of the Board, you know, ten times and there would be lawyer expenses and all that but we're trying to be human as well. So to be honest, once or twice a year people have to come in front of town meeting to get an easement. It's not the end of the world to us.

MARK CURLEY: 8 Old Penzance Road – I'm an abutter to the property. I have no strong objection to it. I think Mr. Visnick has explained it very well but one of my concerns is this, if the town incurs any expenses, and I'm not sure whether this is an easement or a tax taking on this piece, Mr. Visnick.

Whatever expenses the town incurs either through legal fees or engineering fees to draw up another plot plan I think those should be passed on to the estate. The town would be a good neighbor to do that because if we deny this the estate apparently has a problem they've got a piece of property where their building apparently encroaches on to town property that might make it not saleable so they may have to cut that part of the building off where it encroaches but I'm not saying we should deny we're doing, what they're requesting I think maybe it's a good idea to be a good neighbor but why should we incur, the town incur fees to do this. The estate should be more than happy to say gee the town went along, they gave it to us but they're going to ask the estate to reimburse the town for whatever expenses maybe Mr. Visnick, you might be able to share with us what your client might incur for expenses to..oh with the, well you've got two halves today what I don't know whether this is done by town..we have...we have a town counsel in Boston is that correct is that the gentlemen sitting up there in the (Moderator: yes) okay, is that something he would do legally or is that something you would do Mr. Visnick to cure this defect for the estate? And how much is it going to cost us? I happen to be an attorney that's why I'm asking these questions.

DARREN KLEIN: We haven't been involved in these negotiations to this point so most of it has been done by the Town Administrator and the Selectmen so most of the expense legally has been the discussion on this Article to this point, no I'm only kidding, but we really haven't been involved in the negotiations at all.

MARK CURLEY: All right well is it.. if I can make an amendment to the Article I would do so and I would make an amendment that this be petitioned, this be allowed however whatever expenses the town incurs they get reimbursed by the owner of the property.

DARREN KLEIN: Darren Klein through the Moderator and it's obviously up to the Moderator, in my own opinion that amendment would be illegal because the terms of the transaction are within the discretion of the Board of Selectmen so it wouldn't be a binding resolution or amendment to the Article. It would have to no legal effect on the Board's ability to negotiate whatever terms they want in the easement agreement.

MARK CURLEY: Well you know, I've been sitting here all..

PATRICIA BROWN, ACTING MODERATOR: Okay, Bob

BOB VISNICK: My understanding is that how this transaction has worked the only expenses have been me. I'm certainly worth it but (laughter) The easement was drafted by me, it was a standard type of easement based on other ones that we've done over the last several years and so the format is more or less standard thing the specifics were, I inserted and provided that and I think that the Finance Committee as volunteers and the Board of Selectmen have reviewed it and there haven't been any recording expenses and such would be the clients but I don't think there have been any substantial or any other than then diminutive expenses whatsoever and they'd be certainly hard to measure.

PATRICIA BROWN: I sense that we are ready to vote. All those in favor of Article R please raise your placards. This needs to be a two-thirds vote. All those against the same sign. I declare it passes by more than two-thirds.

The motion carried by more than two-thirds.

Now we go on to Article S.

ARTICLE S (20): To see if the Town will vote to authorize the Board of Selectmen to grant, on behalf of the Town, a permanent non-exclusive access easement on the Town property shown on Assessors Map 19 as Lot 49, known as Blue Gate Lane, to Alice W. Bennett and Linda Berard to allow them access to their property on such terms and conditions as the Selectmen deem appropriate; or act on anything relative thereto. (*Department of Public Works*) (*majority vote*)

LINDA SANDERS FOR ELIZA LUCAS: I move that the Town authorize the Board of Selectmen to grant, on behalf of the town, a permanent non-exclusive access easement on the town property shown on Assessors Map 19 as Lot 49, known as Blue Gate Lane, to Alice W. Bennett and Linda Berard to allow them access to their property on such terms and conditions as the Selectmen deem appropriate.

Moved and seconded.

PATRICIA BROWN, ACTING MODERATOR: Any comments or questions?

BOB VISNICK: still at 40 Jerden's Lane – this is very similar to the one you just heard a few moments ago and substantially similar to the easement you granted before to the prior Blue Gate Lane owners, now the Feldman's who run the office building to the left of Blue Gate Lane. If you look at the easement sketch one would think that Blue Gate Lane just runs the way it runs and that property owners that abut it would own up to the lane but in fact there is land on either side of what we consider to be Blue Gate Lane that is really town-owned land that is sometimes described also as Blue Gate Lane and it may be one of those situations where we don't want to pave any more than we had to and so what you all drive up and down all the time is Blue Gate Lane but it's really wider than that. The Bennett's owned their property for many, many decades both John and Mary have recently passed

away and their estate is now dealing with the property. There is one driveway in that goes to the front house and kind of goes to the back house as well and they want to have privacy between those two houses and I don't know what their future plans are whether it's to condo them or just rent one but they want to have a small passage way as you can see to get on to Blue Gate Lane. There's precedence for it on the other side of the street and further down there are other houses that abut Blue Gate Lane but I guess the question is do they really or is there a strip of town-owned property. It's similar to many situations where you have a driveway and then really there's a sidewalk and you don't own that driveway anymore and then there's a street so for the same reasons we asked for an easement a moment ago we're asking for an easement as well. It was carefully drawn out so that no trees have to be cut down. There are, I guess there are two big rocks one on either side of it and it just allows the back house to have access to Blue Gate Lane.

PATRICIA BROWN: All those in favor raise your placards. Again this needs to be a two-thirds vote. All those against the same sign. I declare it passes by more than two-thirds.

The motion carried by more than two-thirds.

ARTICLE J (21): To see if the Town will vote to raise and appropriate or appropriate by transfer from Free Cash a sum of money to the Capital Reserve Stabilization fund to pay for future capital expenditures; or act on anything relative thereto. (*Board of Selectmen*) (*requires 2/3 vote*)

NO MOTION

ARTICLE G (22): To see if the Town will vote to close the Financial Management Capital account and appropriate by transfer the remaining unexpended funds to the Financial Management System Contract account for the purpose of paying the first annual license fee for the financial management system software; or act on anything relative thereto. (*Board of Selectmen*)

NO MOTION

The Chair will entertain a motion under Article P.

ARTICLE P (23): To see if the Town will vote to renew its authorization of the Board of Selectmen in compliance to Sections 1 and 2 of Chapter 7C, Tax Title Land, of the Town of Rockport Code of By-Laws, to sell or otherwise dispose of said tax title properties on such terms and conditions as it deems appropriate and to execute such documents and take such other action as may be needed to effectuate the purposes of this vote; said properties being identified as follows:

Address of 59 High Street as shown on Assessors Map 18, Lot 26

Address of 8 Marmion Way as shown on Assessors Map 26, Lot 109;

or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR ERIN BATTISTELLI: I move that the town renew its authorization of the Board of Selectmen in compliance with Sections 1 and 2 of Chapter 7C, Tax Title Land, of the Town of Rockport Code of Bylaws, to sell or otherwise dispose of the two tax-title properties as listed on page 65 in the April 4, 2015 Town Meeting Voters Booklet on such terms and conditions as it deems appropriate and to execute such documents and take such other action as may be needed to effectuate the purposes of this vote.

Moved and seconded.

FREDERICK TARR: Thank you Mr. Moderator, I would like to amend this Article P to read to see if the town will vote to renew its authorization of the Board of Selectmen in compliance with sections 1 and 2, Chapter 7C, Tax Title Land of the Town of Rockport Code of Bylaws to sell or otherwise dispose of such title properties, here's the change, solely for the development of affordable housing and take other actions and so forth.

Moved and seconded.

MODERATOR: I'm going to give Mr. Klein a few moments to think about this. If you want to make your presentation, he will..

FREDERICK TARR: Yes, I would appreciate that Mr. Moderator. We have an opportunity here to benefit both the town and ourselves I think. We've had the surveys done showing that some of the, several surveys showing a big lack of town and an impediment to development of the town is lack of affordable housing. That's been discussed many times. We just had the Economic Development Committee survey done you might have seen in the last Beacon hard to afford talking about the young families that we need in Rockport, just can't afford the real estate property taxes now. These a, we're also in violation of state law in that we do not have ten percent of affordable housing we're way down on the list which means that they the state could say to any developer you'll have the right to go anywhere in town and put in a 40B development next to any of us unregulated because we do not come up to that standard. I would like to try to alleviate both, show the town's willingness to

accommodate affordable housing to the state and also to obey these surveys that have developed that say we need affordable housing, we need families. Now most of us probably in this town most of us at this meeting could qualify for affordable housing. It's amazing I want to be able to say to a family that wants to come here yes you can come here and you can have a start here and bring your family here and go on from there now on the two pieces of property managed here possibly there could be a couple of units on each parcel the one on Marmion Way maybe you could divide it to a duplex there's almost enough land at 59 High Street for two and there's a little land available from the town or a variance to allow for two reasonable affordable housing units there, so I think it's in the interest of the town and the interest of anybody that doesn't want a 40B next to them to approve this amendment and reserve this land for affordable housing. Thank you.

MODERATOR: Town counsel has researched this and the determination is that this amendment is out of order and I will now allow him to explain that to you.

DARREN KLEIN: Thank you, Darren Klein through the Moderator. Just so you know the only reason why this Article has to be put before town meeting is not under General Mass Law but because you have a local bylaw and it's mentioned in the motion, it's Chapter 7C, sections 1 and 2 that require annual authorization to sell certain tax-title properties so we're here not under Mass General Law on this Article but under your local bylaws. In those same bylaws in section 1 of again Chapter 7C subsection 1 it details a very, a process that must be undergone if the selectmen want to sell tax-title property and that process is largely based upon getting the most fair market value of the property. Obviously placing restrictions such as affordable housing would be inconsistent with that process so in my opinion this amendment is out of order as it violates the town bylaws.

FREDERICK TARR: Mr. Chairman if I may just have a minute I would hope that the town would tell the selectmen very loudly and very strongly that that is in the best interest of the town and to act in accordance with the spirit of this town meeting and put it into affordable housing. Thank you.

ERIN BATTISTELLI: Just a comment, for the Board – first of all I agree with Ted that there's nothing more, that we would like to do to add to the affordable housing stock in town and there have been situations where we've had these discussions including these two properties at our meetings before we make decisions like this we talk about alright what is best and highest, you know the best use for this property and is there a way we can address that concern. In this case, and I guess you know it's ruled that it can't even go forward that way but we do need to recoup the cost that went into years of taxes not being paid on this property and we have an obligation to the town to do that but the affordable housing option was something that our Board took very seriously in our discussions before we even went forward and then, one last point I'd like to make about these, the amount of effort that the Town Administrator and the Assistant Town Administrator put into getting us to this point I'd just like to say, you know, there's a whole of effort that went to get us to this point on these two properties so a lot of work.

PAIGE EATON: 6R High Street Court – I didn't expect to speak. My property abuts the 59 High Street and I attended the selectmen meetings where it was discussed and they did discuss affordable housing particularly one of the things that they discussed was these pieces of property are not really good candidates for this. The first speaker said vote for these if you don't want them in "my backyard". We are voting for it in my backyard so just so you know this is everybody's backyard. By the way, my house is now the house that you can see because 59 High Street was knocked down so I'm looking forward to the house being sold and another piece of property being built there. The first speaker also mentioned that there's town land next to it; there is, there's a water pipe under that land so it's not really good land for them to build on and expand the property, there's 15,000 square feet, which is not enough for a two family. I probably had other points but that's all I want to address. I also wanted to thank the Board for knocking down the eyesore.

TOBY ARSENIAN: I have my doubts as to how much effort the Board of Selectmen put into looking into the affordable housing option for 59 High Street and I thought that was a likely site. The building could have been revived. All of that is past tense now. Either we sell it or we don't but we could ask the Board of Selectmen whether they and what they intend to do with the money and of course, that's an awkward question because as we've all been told things will be even tighter and grimmer next year but having recouped the tax money that's been lost on these properties which is why they're tax-title property which is why we're selling them the Board of Selectmen could make a commitment to put what's left into a fund for affordable housing and indeed with money tighter and tighter from year to year the odds of doing anything for affordable housing gets slimmer and slimmer so I would ask the Board of Selectmen if they would consider making some commitment to put the money, what's left after the taxes are recouped or some portion of it into a fund for affordable housing.

DARREN KLEIN: Darren Klein through the Moderator – I just wanted to clarify one thing the bylaw does allow for certain conditions or restrictions to be set but those conditions are through your bylaw under the authority of the Board of Selectmen, not town meeting so I just wanted to clarify on that issue.

SARAH WILKINSON: Sure, we obviously just spoke for about five seconds but the Board isn't going to commit to anything at this point. There are laws that determine where the money from the sale of real estate goes and the Board, we're excited that we've gotten to this point with these properties and

we look forward to selling them and getting the properties back on the tax rolls which is what we really need.

FREDERICK TARR: Again, when this first came up a year ago the need for affordable housing was evident not as evident as it is now. I frankly think this land whether or not it has to be sold, the need for affordable housing and land used for same should not depend on who it's next to but what the town needs. Thank you.

MODERATOR: Okay, you've heard the motion all those in favor say aye, opposed say no.

The motion carries.

The Chair will entertain a motion under Article A.

ARTICLE A (24): To see if the Town will vote to expend the a sum of money allocated to the Town under the provisions of Section 34(2)(a) of M.G.L. Ch.90 or otherwise, so-called "Chapter 90 monies"; or act on anything relative thereto. (*Department of Public Works*)

LINDA SANDERS FOR BOARD OF SELECTMEN MEMBER ERIN BATTISTELLI: I move that the town expend the sum of \$192,023 or such other sum as is made available to the town under the provisions of Section 34 2A of the General Laws Chapter 90.

Moved and seconded.

MODERATOR: Any discussion? All those in favor say aye. Opposed say no.

The motion carries.

The Chair will entertain a motion under Article F.

ARTICLE F (25): To see if the Town will vote to raise and appropriate or appropriate by transfer from available funds a sum of money to fund the fiscal years 2014, 2015, and 2016 cost items contained in the collective bargaining agreements between the Town of Rockport and the Rockport MassCOP, Local 154 (Patrol Officers Unit); with the agreement covering the term of July 1, 2013 through June 30, 2016; or act on anything relative thereto. (*Board of Selectmen*) (*majority vote*)

LINDA SANDERS FOR CHAIRPERSON SARAH WILKINSON: I move that the town vote to appropriate by transfer from free cash the sum of \$19,300 to fund the fiscal year 2014 additional cost items and transfer the sum of \$53,500 to fund the fiscal year 2015 additional cost items contained in the collective bargaining agreement between the Town of Rockport and MassCOP, Local 154, Patrol Officers Unit, covering the term of July 1, 2013 through June 30, 2016, which were not included in the operational budget for each of the respective years.

Moved and seconded

MODERATOR: Any discussion? You've heard the motion, all those in favor say aye. Opposed say no.

The motion carries.

We move on to Article O.

ARTICLE O (26): To see if the Town will vote to accept the provisions of General Laws Chapter 64L, Section 2(a) authorizing the Town to impose a local sales tax at the statutory rate of .75% on the sale of restaurant meals originating within the Town to become effective on July 1, 2015; or act on anything relative thereto. (*Board of Selectmen*)

LINDA SANDERS FOR SELECTMAN PAUL MURPHY: I move that the town accept the provisions of MGL Ch. 64L, Section 2(a) authorizing the town to impose a local sales tax at the statutory rate of .75% on the sale of restaurant meals originating within the town to become effective July 2, 2015.

Moved and seconded

PAUL MURPHY: Thank you Mr. Moderator. I rise again in support of Article O, the meals tax. The Commonwealth of Massachusetts currently charges 6.25 percent for meals across Massachusetts; cities and towns are allowed to increase this sum to 7 percent and if that is approved the towns can keep the difference. The Commonwealth will refund a difference of .75 percent to the cities and towns. We have estimated that will increase the town by \$80,000 per year if approved. There is no secret that the town needs additional revenue and this will help the budget and if approved, would certainly be a step in the right direction. The majority of this will be paid by visitors to our restaurants but not all, for example a meal costing \$60 the tax would be 45 cents, certainly something that won't break the bank in my opinion. The City of Gloucester and every other coastal city and town on the

North Shore charges this tax so we would be in sync with other municipalities. Mr. Moderator, Rockport depends heavily on real estate taxes to run the town so it is imperative that we find new ways to diversify the tax base. This is an excellent way in my opinion to do it. I hope folks will support this Article as it needs town meeting approval.

DICK EMRICH: 133 Main Street – I don't like taxes and I'm not for this one. I believe we pay enough in taxes. I believe we've spent a lot of this afternoon discussing how we can get more restaurants and pubs into town so they can make money and have a viable area for us to enjoy our lives year round. I think this is a detriment to anyone who wants to open a business here that's going to be in the restaurant business. I think that we are in a financial-strait but we're not there yet we're in a crisis mode. I think this can be held on the table down the road if somebody needs it but at this point in time I think it's premature to do it. When we get the businesses in town and they get profitable and the restaurants are doing well then we can throw this added tax on them because it's really going to come out of the wait staff's tips, etc. as well as the restaurant's volume of business that they do, so I would vote against this one.

MODERATOR: I want to take this moment to thank all the microphone runners for doing a wonderful job. (applause) Last one standing, *sprinting* even to the end, that's great.

CATHLEEN CAHILL: Katie's Gift Shop downtown Rockport – I guess I'm concerned too because we're having a hard time supposedly attracting restaurants. I think expanding the alcohol thing for options to have a smaller niche, niche restaurants would be a good thing but I guess I don't know if there's any innkeepers here in town, I don't remember how long it's been since we've added that tax onto theirs. Has it helped them? Or has it hurt? I'm concerned about this adding more taxes and people coming to Rockport, you know if they're staying longer because of the tax or less long. It's a concern.

TOBY ARSENIAN: An unpleasant tidbit of information I've been attending Finance Committee meetings not all eighteen of them and I was there when they voted to count the \$80,000 that this would presumably produce into the budget and that was done before the vote and that at a time when the budget didn't balance without it. Now the budget will balance without it – money taken from free cash and I just want to say that I think that was inappropriate, it may or may not be legal, I suppose it probably is legal it shouldn't have happened. I also listen to the Board of Selectmen's discussion of this item when they were going over the town meeting items to decide which ones they would support and which ones they wouldn't. They spent all of about 30 seconds but earlier there was an extensive discussion of this article and two members of the Board of Selectmen, Sarah Wilkinson and Eliza Lucas both cited the money that would presumably come from this as justification for giving money to the Economic Development Committee. I want to know if the Board of Selectmen has made any commitment on the disposal of the money or a commitment to recommend as how the money would be disposed of. I am tempted to vote against it but I see the town badly needs it.

WALLY HESS: Toby said we spent quite a bit of time talking about this in the Finance Committee and we looked at the numbers. The \$80,000 estimate actually comes from the state because the state knows how many taxes have been paid at the 6.25 rate and they send us a monthly report saying here's what you're missing if you don't have your .75 basis points so if you look at the last 12 months that number was just over \$79,000. I think a way to look at this and I'm not being too silly here, but I think you should look at this as a tax cut because we have worked as hard as we can, as I said several hours ago to cut the expenses to the bone in this year's budget. We did assume the passage of this in order to make the budget balance and if we don't pass this today then the difference will be just raising real estate taxes by that \$80,000. That will be the effect. There's really no way around that. I do want to emphasize something that Paul Murphy said, which was, a \$60 meal under this program or this tax increase will pay 45 cents more in taxes. That's a pretty small amount. The other thing to emphasize is that the bulk of this, I don't know a percentage but you can have your own opinion, will be paid for by non-residents because that's the season that the restaurants are open around here is in the summer time when we have a lot of visitors so this is a way to have non-residents supporting the town where the effect is that our real estate tax is slightly lower as a result. Another point I'd like to make is that one of the things that came out of the Barry Bluestone study was a statement that we have a very high reliance on residential real estate tax. I want to clarify something that I said earlier today where that tax is 95 percent of our income – 93 percent – the 93 percent is the percentage of real estate tax that is paid by residential, only seven percent is paid by commercial and industrial because we don't have a very large commercial base for this town. The aggregate of the total amount of revenue that this town gets from residential real estate tax is 73 percent so many towns are down closer to 50 percent and one of the items in the Bluestone study was to, was to in effect recommend that we try to diversify our source of funding from the residential real estate tax which is very high, into other areas and we have concluded that this is a very good way to do that. (applause)

JOHN PENALOZA: 46 Main Street – The fact that all the neighboring communities in the North Shore already have this tax and Rockport doesn't means that we're not going to be shedding visitors that are afraid of paying 0.75 percent on their restaurant ticket right, to go to Gloucester or elsewhere. As a matter of fact, Gloucester already has the benefit of most of our visitors that dislike the fact that we don't typically serve beer and wine easily in town so they'll take off and go consume in Gloucester and Gloucester has attracted a lively restaurant community, an excellent quality of food and diversity of food. We've taken a step today to remove the restrictions on beer and wine consumption and I think this measure would go in lock-step with that to begin to improve our revenue base. I'm hoping that in the near future we're going to have more year round options and more diversity of food culture in Rockport and I think it's logical for us to reap that benefit into our taxes.



STEVEN INCROPERA: 46 Broadway – So it sounds like the tax has already been incorporated into the budget which was approved so in deference to this gentleman's point that he didn't like taxes and he was going to vote against this sounds like that if we don't approve it we're going to end up paying the taxes anyway. Is that correct? It's going to come out of our pockets.

MICHAEL HUGHES, FINANCE COMMITTEE: Yes it's true - \$80,000 is incorporated in the budget but that does not mean you cannot not vote it down. You can and we'll still have a balanced budget. The difference will be as Wally mentioned we have to recoup that money but by increasing the property tax so is the money in the budget, yes the \$80,000 is there, we're planning on it to come from the meals tax, should the meal tax fail and the \$80,000 which is needed will come from real estate taxes. So don't feel that because we put it in the budget you're obligated to vote for it I urge you to but you don't have to we'll just raise your taxes.

LAURIE MCKENNA: 31 High Street – Well my feeling is that there are some people who own property who have trouble paying their real estate taxes and I would rather this \$80,000 come out of the pockets of those people who are comfortable enough to go out and drink in Rockport or eat in Rockport and so I'm going to vote for this as opposed to spreading that \$80,000 over all of the property owners some of whom can't afford to go out to eat.

CHARLES PETERMAN: Just as a point of interest on this, so nine months out of the year this is not going to be coming from the principle restaurant business this is going to be coming out of essentially Dunkin' Donuts, the Chinese restaurant and the House of Pizza and those are mostly patronized by people who produce local services so we aren't really talking about getting this all from tourists we're just talking about whether or not the burdens on the people who own real estate or whether the burdens on the people who service real estate.

MARK CURLEY: You know I agree with Mr. Toby. He said we need this money desperately we really do and as the Finance Chair just said we're going to have to get this money somehow and we're taxing the real estate owners substantially now because they contribute 93 percent of our revenue. I don't think that people come to Rockport to eat. They come over the bridge because they know they're going to save 40 cents on a \$60 meal, they don't know that and somebody I think Mr. Murphy is his name, in his presentation said we ought to be in sync with everybody else we're not so I think that this is a no brainer. I don't think these Dunkin Donuts or these Chinese restaurants are going to leave Rockport because this, we're going to be doing what everybody else does I don't think Rockport is not getting the restauranteurs to come over the bridge because we're going to possibly put in a tax. Why aren't they coming over the bridge in the last several years there's been no tax so I would strongly recommend we go along with this one. This is an easy one. Thank you.

MODERATOR: Alright, you have heard the motion under Article O. All those in favor say aye. Opposed say no.

The motion carries.

The last motion of the day is Article L it requires a two-thirds vote.

ARTICLE L (27): To see if the Town will vote to raise and appropriate or appropriate by transfer from available funds a sum of money to the SPED Stabilization fund to pay for future Special Education obligations; or act on anything relative thereto. (School Committee) (requires 2/3 vote)

LINDA SANDERS FOR MICHAEL KELLY CHAIRMAN OF THE SCHOOL COMMITTEE: I move that the town appropriate and transfer from the Tuition Member Collaboratives account the sum of \$15,344.13 to the Special Education Stabilization Fund for the purposes of Article L, as printed in the warrant.

Moved and seconded.

MODERATOR: Any discussion? You have heard the motion. All those in favor please raise your placard. Opposed the same sign.

That motion carries by more than two-thirds and your placards have now become souvenirs.

The Chair will entertain a motion to dissolve this meeting and we'll thank all of you who remain throughout.

Moved and seconded.

All those in favor say aye. Opposed say no. Motion carries. THANK YOU!

The annual town meeting dissolved at 2:55PM.



